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ABSTRACT

State education agency (SEA) activities to coordinate programs for children and youth were the focus of this report. The incentives and disincentives to coordination and interagency cooperation at the state level were investigated by case studies in Pennsylvania, Colorado, California, and Washington. In particular, the study examined how federal initiatives and recent fiscal strains have affected both intergovernmental coordination of education programs and SEA relationships with other state agencies. The report begins by presenting the key research questions and the 12 hypotheses explored in the study and describes the data collection methods used. Each of the chapters on the individual states presents an overview of the demographic, educational, economic, and governmental characteristics of the state along with selected items in the state's budget. Following this are descriptions of coordination of educational programs, interagency coordination, special education coordination activities, and other interagency coordination efforts. The last chapter summarizes the findings and general conclusions. (MLF)

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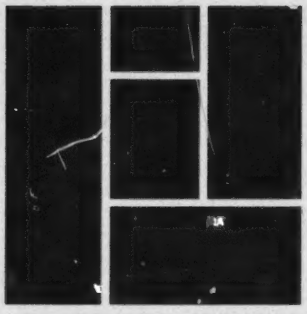

THE URBAN INSTITUTE

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Project Report

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STATE EDUCATION AGENCY COORDINATION EFFORTS

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Chapter One

Research Design

INTRODUCTION

This report is the final report of an 18-month study of state education agency efforts to coordinate policies for youth. States perform three functions in the development and implementation of educational and other policies affecting children and youth. State agencies may administer a broad range of federal categorical programs without directly providing services. They guide the development of local programs through a variety of mechanisms, from standard setting to technical assistance. Third, state revenues may be used for youth programs and services not supported by federal and/or local funds. Because of the growth in federal and state fiscal contributions, education in particular has become an intergovernmental responsibility.

Coordination is one approach that states may use to improve the provision of services to youth. It is frequently argued that states are in a unique position, both as middlemen between federal decision-makers and local implementors and as initiators of their own programs, to coordinate policies and programs in creative ways. This study began with a focus on the costs and benefits of state efforts to coordinate youth policies, and particularly, the role of state education agencies in these efforts. In order to sharpen the analytical character of the research, the study was revised to take account of changing external circumstances. The changing conditions provided us with an opportunity to analyze their impact on state coordination efforts. Among these changes have been the recent federal initiatives that increase the salience of the role of state agencies in education and youth policy more broadly defined. Both the reductions in federal funds for certain

programs serving special needs populations and the consolidation of a number of other categorical education programs into a block grant to the states increase the fiscal and programmatic dominance of states in education policy. The other most significant circumstance is the overall decline in educational revenues at the state and local levels due either to fiscal limit movements or economic problems. As a result, state governments have to cope with fewer dollars and even though education retains the largest share of most state government budgets, real declines in budgeted expenditures have begun. These conditions affect how decisions are made and need to be taken into account in any research on the state role and coordination efforts concerning youth policies and programs.

To restate then, the focus of the study was state education agency activities to coordinate programs for children and youth. The incentives and disincentives to coordination and interagency cooperation at the state level were investigated. In particular, the study examined how federal initiatives and recent fiscal strains have affected both intergovernmental coordination of education programs and SEA relationships with other state agencies. The rest of this chapter presents the key research questions and hypotheses explored in the study and describes the data collection methods used. Chapters Two through Five present the case study findings and Chapter Six summarizes the findings and general conclusions.

RESEARCH ISSUES

Coordination can be viewed as an approximate midpoint along a continuum of activities that ranges from informal cooperation to consolidation. Definitions of coordination usually speak both of a process (joint activities) and a goal (mutual objectives). Coordination means changes in organizational relationships in pursuit of certain goals. The organizational changes may

range from administrative procedures such as joint planning to service changes and staffing. The goals may be instrumental or encompass concern for greater efficiency and effectiveness. In exploring the literature on coordination as a first task of this study, it became clear that one of the key factors influencing coordination was the funding available.[1] The fiscal conditions under which such efforts took place could either be incentives to or barriers against coordination. At the same time, federal budget cuts, Proposition 13-like fiscal limits, and worsening economic conditions were all contributing to real resource declines. This suggested the importance of looking at SEA responses to fiscal stress and cuts in revenues for education. The review of the literature in this area also suggested a number of important questions. In analyzing the management of decline, researchers have focused on the policy-making process and not on implementation. As was true with the earlier decision-making literature, implementation has been neglected. Most studies and the models developed have focused on key political decision-makers and the politics of the general budgetary process. Few have examined how decisions are made within program units, how cuts are implemented, and the extent to which the cuts are actually translated into service reductions or just reduce slack. On the other hand, the literature on coordination tends to assume that administrators will be acting in an environment where resources are increasing and programs can be coordinated with increasing goods available for all. Studies of coordination efforts suggested that successful coordination depended not only on a stable funding source, but on extra funds. Special money for the coordination

1. A thorough discussion of the literature reviewed for the study on coordination and fiscal stress can be found in an earlier project report: "State Youth Policy Coordination: Conceptual Issues", April, 1982.

process was needed to cover additional administrative costs and staff time. Most of the actual coordination projects studied were initiated because of the availability of special demonstration funds for such efforts.

In contradiction, the fiscal stress models hypothesize coordination as a potential response to declining resources. The fundamental assumption of these models is that changing resource levels force administrative changes. While the studies of coordination and services integration suggest coordination results from increasing resources, the fiscal stress literature indicates several responses to declining resources that imply coordination as an underlying activity or process. These include improving productivity, reorganization, transferring services to other units, and sharing services and costs.

One specific response to a moderate decline in the level of resources suggested in the literature is increased sharing agreements with other jurisdictions. One problem is that this seems to assume other jurisdictions have available resources, i.e., are not also suffering resource declines. The models do not deal with whether program units or administrators seek to share services when all are feeling a fiscal pinch. Other research has also indicated that in situations of decline, state and/or local agencies will attempt to shift the burden to other service providers with as little reduction as possible in actual services and to look for ways to improve efficiency and reduce waste and duplication. Such goals were and are prominent in the rhetoric of those promoting coordination.

Given these issues this study attempted to examine two kinds of coordination. First, coordination may exist within SEAs between special programs that receive funding from different sources (federal vs. state categoricals) or that serve different populations (compensatory vs. bilingual).

In addition, SEAs may make efforts to coordinate with other state agencies that may operate some programs through the schools (counseling, drug abuse, health screening, etc.). Since the late sixties, a series of special programs were enacted by Congress because the federal government had concluded that states and localities were failing to address these special problems. Until recently, these federal programs had been the major source of financial support in virtually every state in the fields of compensatory and bilingual education. Federal legislation also clearly stimulated, while paying for only a tiny share of the costs, the rapid growth of special education for the handicapped. The Reagan Administration has now made substantial changes. The Education Consolidation and Improvement Act of 1981 consolidated a wide variety of smaller education programs into a block grant. At the same time, Congress and the Education Department have also begun a move to deregulate the major remaining categorical programs--Title I (now Chapter I), P.L. 94-142, and Vocational Education. In 1981, recissions cut spending in elementary and secondary education aid, although the loss in nominal dollars was small. The 1982 budget reduced federal aid to education by 10-20%, while the proposed 1983 budget could result in a 35% decrease over 1981. Thus an era of change stimulated by declining resources is likely for state education agencies.

The theoretical and research literature on coordination and fiscal stress suggested a number of questions and hypotheses for our study of SEA coordination in an era of decline. The research effort and data collection focused on the following questions. First, how much coordination currently exists? Are there any state level variables that explain differences between states in the extent to which the SEA works with other agencies, or in the extent

to which state and federal programs are coordinated? Second, does the level of resources have an impact on the amount of coordination taking place? Does coordination decline or diminish when funds are cut? Does SEA behavior in response to cuts parallel that predicted from models of general purpose governments responses to fiscal stress? A third major question is what is the local impact of coordination? Does administrative coordination at the state level impinge on school district operations, are they aware of state interagency agreements? When coordination increases or declines, do services change or is the impact primarily administrative--accounting procedures, recordkeeping, application forms--and not in the classroom? To guide the research, the following hypotheses were suggested by our synthesis of the theoretical and conceptual literature:

1. The bureaucratic isolation of the state education agency parallels its political separation.

   A barrier to coordination has been the well-developed ideology and entrenched political processes that have separated educational government from general government. The separate election of state superintendents of education, for example, frequently means these incumbents are not attuned to bureaucratic politics within the executive agencies. The SEA is consequently isolated from the larger social policy group in the state.

2. Very little coordination exists that requires interagency agreements.

3. Existing interagency coordination is almost always a result of federal requirements or special demonstration projects rather than originating out of ongoing operations.

4. Without extra funds or increasing funds, coordination and interagency agreements fall apart.

   Coordination is basically an administrative vehicle for the allocation of resources.

5. The funding sources and mix of these sources is less important to coordination than whether the level of resources is going up or down.

6. As education funds decline, coordination among programs within education will decline, while efforts may be made to increase interagency coordination as part of burden-shifting strategies.

7. When cuts in the budgets of functional agencies other than education are more severe (or their budgets decline and education doesn't), then programs for services in the schools will be cut by these agencies first.

   Interagency agreements will be terminated because these programs do not serve the main clients and are regarded as ancillary both by other agencies and the SEAs.

8. Where coordination exists among programs within education, resource declines may have less impact on services.

   Coordinated programs may protect services, but this will depend on whether both federal and state revenues are declining.

9. Where all programs within education are cut equally, there will be an incentive to continue coordination so that savings can be shared.

10. Where programs receive differential cuts, the incentives will favor competition.

11. Much of the coordinative activity at the SEA level has little impact on service delivery: within department coordination is frequently administrative with no attempt to change service delivery patterns within school districts; interagency relationships result in transferring functions so that it is not perceived as coordination at the local level.

12. Local school districts seldom take the initiative in coordination: within education, various special program requirements are seen as state and/or federal responsibilities, while with respect to other service agencies, these programs are usually not locally administered.

METHODOLOGY

In order to explore the first research question on the extent of current coordination efforts, a review of information from all fifty states was undertaken. The basic data collection strategy to explore the other questions and hypotheses described above was comparative case studies. The review of coordination efforts in different states allowed us to identify the range and variation in coordination activities. This information was also useful in the selection of case study sites. Initial contacts were made with organizational units that represented youth services at the state level or with state departments of human resources, social services, etc. As the study focused more on the role of state education agencies, an effort was made to recontact states to be sure that activities within SEA's among educational programs or specific interagency initiatives of education departments had not been overlooked. In collecting summary information on state activities, we asked for information about any ongoing interagency efforts to coordinate children and youth programs, whether or not the education agency was involved. We also ascertained whether the SEA had developed interagency agreements and the areas involved, and the existence of any formal coordinative efforts among programs within the education agency. As background information, states were categorized according to a number of organizational variables. These included the existence of a formal coordinating mechanism in human services, the organization of human services into one umbrella or several separate state departments, and the mode of selection of the chief state school officer. Summaries for each state based on the information gathered in our telephone contacts during 1981

as well as an analysis of state characteristics related to variations in coordination are presented in a separate report.[1]

The case study approach was used to explore the remaining research questions and hypotheses in greater depth. Case study research does not lend itself easily to a precise description of methods. Fully specified hypotheses could not be tested, but the systematic comparison of four cases was designed to allow us to examine key variables and relationships identified by the research design, while leaving room for exploring new factors and alternative explanations. Our primary source of information for the case studies was the data gathered from intensive interviews with key actors in each of the four states. Respondents included key agency personnel in other departments as well as the state education agency. We interviewed persons with program direction responsibilities, as well as staff directly involved in coordination efforts. Specific interview guides were developed for each respondent at each site. Comparability was maintained because the key variables and research issues guided the overall selection of topics for investigation. By tailoring specific questions to each state's activities, we were able to make the most of the interview opportunity.

For certain kinds of information and also to cross-check and validate factual information from the interviews, we also collected written materials and documents including financial reports, budgets, program descriptions, legislation, organization charts, legislative committee reports and testimony, program plans, etc. This material provided information about the coordination activities and basic background information on fiscal conditions

1. "Review of State Agency Coordination Efforts", Urban Institute Project Report, April 1982.

and education and human services policies and programs in each state. On the basis of the interviews and the review of written materials, detailed field notes were prepared for each state. These were used to develop the descriptive case studies presented in this report.

Site Selection

With only four cases, complicated sample selection procedures were not called for. We attempted to select sites that would provide variation on the extent of coordination within education and other service areas. Other characteristics that we tried to vary among the sites included the existence of a general interagency coordinating unit, size of student population, selection method for CSSO, fiscal measures, and two indices of educational policymaking-centralization and innovation. The four sites selected on these bases were Pennsylvania, Colorado, California, and Washington. Table I lists how the sites vary on these state level characteristics.

Most importantly, the sites provided a range of variation in the levels of interagency and educational program coordination. Based on our telephone contacts, Pennsylvania was characterized as having little formal coordination effort within the SEA and moderate involvement in interagency agreements. While there are a number of interagency efforts, the state education department has not taken the lead. At the same time, a formal interagency coordinating council was recently established in Pennsylvania and this group does include education.

In contrast, Washington was characterized as highly active in efforts to coordinate programs across the board within education. The SEA has a special office whose function is to develop such coordination. The Washington, Department of Public Instruction has also been active generally in coordination with other human service agencies, both in particular issue

Table I. Characteristics of Sites Selected for Case Studies

	California	Colorado	Pennsylvania	Washington
size				
high	x		x	
low		x		x
fiscal situation				
constant level of resources			x	x
declining resources	x	x		
per pupil expenditures				
high			x	
medium		x		x
low	x			
proportion of revenues from federal/state sources				
high				x
medium	x	x	x	
innovativeness				
high	x	x	x	
medium				x
organizational structure				
umbrella				x
separate depts	x	x	x	
formal coordinating body				
yes		x	x	x
no	x			
selection of CSSO				
elected	x			x
appointed		x	x	
educational centralization				
high				x
medium	x	x	x	

areas where agreements have been reached, and through a Policy Coordinating Council that has existed for several years and meets regularly. The other two states provided different mixes of the two types of coordination efforts. California has long been noted for vigorous efforts to coordinate federal and state education programs through joint planning and application procedures. California also has established some interagency agreements, but the SEA has generally held itself aloof from major coordination initiatives in children and youth services, such as the recent effort to develop a Master Plan for Children and Youth. This contrasts with Colorado where educational program coordination has generally been left up to local districts, but the SEA has taken a very active role in developing cooperation and agreements for coordination with other state agencies.

Chapter Two

Pennsylvania

OVERVIEW

Despite its large population size and location on the east coast, Pennsylvania has a large rural constituency. The current Republican Governor, Richard Thornburgh, in office for three years, campaigned on cutting the federal role, returning responsibility to the states and local governments, and improved management of scarce resources. An early supporter of Reagan, Governor Thornburgh is actively committed to the "new federalism." This perspective fits in with a longstanding tradition of local control in education and other human service delivery systems in Pennsylvania. The welfare system is county-administered, with assistance payments and other income transfer programs, child welfare, and mental health located in the Department of Public Welfare. The Department of Health includes vocational rehabilitation as well as drug and alcohol abuse programs. Thornburgh has created two subcabinet coordinating bodies, one concerned with economic development, and the other with human resources.

The fiscal and economic situation in Pennsylvania has been relatively stable, with revenues declining but unused surplus to balance the budget. State jobs have been cut and no new money has been available for the last several years. While the state budget has increased by approximately 3-5%, this has not kept pace with inflation. Human resources departments budgets have increased by similar amounts. Table 1 provides a brief summary of selected items in the state budget for FY '82 and FY '83. As it indicates, the education budget increased by approximately 5% which paralleled the general fund total increase. Other major human services departments increased somewhat less. It should also be noted that education takes up approximately 44% of

Table 1: State Budget

	'81-'82 appropriations	'82-'83 budget	% change
Education			
administration	14,830	15,830	
basic subsidy	1,544,000	1,555,800	
education block	---	127,211	
Total	2,991,533	3,149,555	+5%
Health	106,226	107,119	+1%
Public Welfare	2,463,876	2,535,046	+3%
Total General Fund Budget	$6,859,044	$7,195,137	+5%

the total state budget with welfare appropriations comprising the next largest share--36%. In the view of SEA staff, education has fared relatively well but is not perceived by other departments as better off financially. Both cuts and increases have been shared pretty equally between education, health and welfare. At a series of budget meetings for FY '83, representatives of these departments and the Governor worked out what could be done together.

Pennsylvania has 505 school districts and 28 intermediate units. Consolidation never proceeded very far and there are thus many very small rural districts. While the state ranks in the top third on per pupil expenditures, it has a strong tradition of local control. There is a trend to reduce the state share of educational revenues which declined from 41.8% in FY '82 to 40% in FY '83. This emphasis on localism has also been reflected in the avoidance of state categorical programs in education. Weighting factors were included in the basic subsidy formula to provide extra funds for Philadelphia, but even this provision is under some challenge. In the FY '83 budget, the basic formula was frozen and new funds were allocated by a separate equalized formula that resulted in Philadelphia getting some new money, but less than under the weighted formula. This reduction in special aid for urban districts is combined with a decline in federal Title I funds for compensatory education. To cope with the gradual reduction in funds and maintain teacher/pupil ratios in Title I, districts have been reducing the number of children served. Special education is the only categorical program that has not been cut back. Federal handicapped funds (P.L. 94-142) have been stable for the last three years in Pennsylvania, while state appropriations for special education have gone up about 6% over the past several years.

COORDINATION OF EDUCATION PROGRAMS

The Pennsylvania Department of Education (PDE) does not have a specific organizational mechanism for internal coordination of separate educational programs. To some extent, the Office of Policy Management serves a coordinating function. This office, originally a state-funded liasion office, has been expanded under the current Superintendent, Richard Scanlon, to perform policy/budget review and central clearance for Scanlon. To the extent that central clearance requires some coordination among programs within education, the office performs that function although coordination is certainly not viewed as its primary responsibility. For example, at the Governor's request, a study of the regulatory burdens on local school districts was conducted by the department. The Office of Policy Management provided a liasion between the Governor's/Superintendent's interests and the concerns of program staff protective of particular program interests. The office also reviews all regulations and guidelines to avoid conflicts that might create problems for local districts. Avoiding friction rather than initiating cooperation is thus the only coordinative focus.

Unlike some states, Pennsylvania has not used its school planning or testing programs as vehicles for coordination. The school improvement program, initiated with federal funds, focuses on needs assessment and district level long-range planning but does not require or encourage integration of existing programs or separate funding streams. The statewide testing program--Educational Quality Assessment (EQA)-- is voluntary and unusual in its emphasis on the affective domain. But aside from a few specialized curriculum packages, it has not been used to integrate curricula.

Within the Pennsylvania Department of Education, program staff viewed informal communications and personal relationships as adequate means of coordination. Respondents suggested that the lack of need for more frequent communications was a good indication of how well coordinated programs were; communications were necessary only to resolve problems. For example, Title I and special education developed a letter of agreement a number of years ago to deal with children who might be eligible for both programs and now feel no need to communicate more than once or twice a year. Staff did note that formal agreements at the state level are sometimes necessary to overcome "turf fights" and suspicion of separate programs at the local level, but in general local collaboration was neither encouraged nor resisted within the SEA.

Chapter Two-Consolidation

As part of the Reagan Administration's block grant initiatives, Chapter II of the Education Amendments consolidated a series of smaller federal categorical programs, including Emergency School Aid Assistance (ESAA), School Improvement, Library funds, etc. In Pennsylvania, the decision-making process for this new consolidated program was political and ignored program specialists within the state and local school district bureaucracies. The elaborate process set up for developing an allocation formula and guidelines for the Chapter II block was, according to respondents, an outgrowth of Governor Thornburgh's commitment to the new federalism.

The PDE developed a survey instrument that was sent to the education community in the fall, 1981, purportedly to document state needs, to provide information for the Chapter II application, and to develop a "rational planning base." There were nineteen different groups of respondents, including legislative committee members, nonpublic school administrators, state staff,

state college/university faculty and education researchers, intermediate unit directors, local board members, administrators, teachers and parents. The responses would appear to indicate a low level of public interest, particularly on technical allocation questions--i.e., how to define allocation criteria. Overall, the response rate was only 35.2%. Nevertheless, the advisory committee (of local school representatives) reviewed the results in three meetings and then held a series of public hearings on the recommendations that they developed. These recommendations were submitted to the legislature as part of the FY '83 budget and accepted with only one change--a reduction in the allocation for state administration to 10%; 82.7% to be distributed to LEA's and 7.3% for discretionary grants. The formula for allocating funds to local districts is 60% enrollment, 35% poverty (AFDC) and 5% sparsity (a rural factor). The resulting distribution provides increased funds for 391 districts. Philadelphia is a big loser, primarily as a result of the loss of ESAA funds. ESAA was the only program for which there was some support within the state for earmarking funds, but the prevailing attitude was was that "if Philly needs the funds, it will have to cut other parts of its budget." SEA staff are currently conducting information workshops to be sure that districts understand the simple application and evaluation requirements. It was thought likely that Chapter II would not so much result in improved efficiencies in continued operation of pre-block programs as in elimination of entire programs in many districts.

The consolidation will also require staff cuts within the state office because SEA administrative set asides from the previous categorical programs were larger than the Chapter II 10% set aside. Some across-the-board reduction in staff may be required in addition to cuts from program specialists now included in Chapter II. Despite some significant fiscal and programmatic

consequences, there appeared to be little visible conflict over the Chapter II decisions at the state level. Groups unable to affect statewide allocation decisions may now turn to district budgeting processes to attempt to maintain special programs.

INTERAGENCY COORDINATION

To a large extent, general human services coordination in Pennsylvania has been a politically initiated response to the new federal block grants. In a speech on the federal blocks, Governor Thornburgh stated that "detailed planning for actual administration of the blocks (is) continuing...refocusing those programs on the most pressing needs of our state's communities and citizens and coordinating them to minimize duplication and maximize effectiveness. Because of the importance and complexity of the task, I have established a Human Resources Committee to carry out a comprehensive review of all state programs...." The executive order establishing the committee in April 1982 referred to increased efficiencies in using available resources and coordination to insure effective delivery of services. Education is one of the six human services departments participating on the committee (Aging, Community affairs, Health, Labor and Industry, Public Welfare) along with Budget and Administration, and Legislative Affairs.

Human Resources Committee (HRC) activities have focused primarily on information dissemination and public relations. HRC has conducted a Block Grant Information session with state legislators and held six regional information forums. Staff view their major accomplishment as getting county cooperation on the block grant decisions, the committee serving as means for improving communications between state and local political executives, rather than program specialists. The HRC Director is of cabinet rank and there is a deputy director and one other professional staff

assistant. As a subcabinet group, the HRC department heads have one breakfast meeting monthly with the Governor and a working group consisting of deputies meets at least once a month. At this interagency level, the HRC serves to prevent the Governor's decision-making from being fragmented. The Committee does not deal with interagency agreements that are usually worked out quite separately among departmental staff. The discussion usually involves single agency issues and coordination consists primarily of information exchange, rather than joint arrangements on specific program areas. Interestingly, PDE respondents did not view the HRC as a channel for communications with other human services departments, but rather as a communications link with the Governor's office.

The only other organizational focal point for interagency coordination is the Program Management office. This office is also responsible for ensuring that state staff and local school districts understand new requirements of other agency programs, such as school lunches, that impact on schools. As a result, the office does have some regular interaction and exchange of information with other state agencies. However, the office does not take any initiatives nor promote interagency coordination, but only reviews proposed arrangements and agreements.

Department of Education staff varied in their attitudes towards other state agencies. Political appointees and staff involved with the HRC felt that Pennsylvania did not fit the stereotype of "standoffish educators", that the department had worked well with other state agencies on a number of initiatives from the Governor's office. In most cases, relationships with other agencies have involved working out a clear delineation and separation of responsibilities rather than funds transfers or joint activities. The state legislature has frowned on interagency funds transfers and no such

agreements exist between education and other agencies at present.

Program specialists within education reflected a somewhat different view. Coordination was a word frequently heard but with little content. Many felt the schools shouldn't get involved with solving children's problems--"let education teach, leave the rest to others who can do a better job." In this view, there was no particular need for coordination and interagency relationships were fostered primarily to ensure that problems could be resolved as they occurred in areas of overlapping responsibility.

In general, respondents felt that the state department should not take the initiative in developing joint activities or shared services, another reflection of the strong reliance on local efforts. At the same time, state interagency agreements were seen as improving efficiency in some areas, for example, allowing other departments to reach school districts through SEA mailings rather than individual communications. In addition, local districts were described as somewhat parochial in their attitudes to other agencies. Most districts were regarded as unlikely to reach out to make arrangements with other agencies unless the SEA encouraged, helped, perhaps pushed them in that direction. Because local educators often have stereotyped views of social workers and other human services program staff which are mirrored in negative opinions among these staff about unconcerned, uncaring teachers, the SEA can play an important role in overcoming these local attitudes and prejudices and opening doors for local efforts at coordination. At the same time, because other agencies view local school districts as relatively autonomous, there is less incentive in Pennsylvania for joint program arrangements at the state level.

Special Education Coordination Activities

Coordination may mean sharing costs or burden-shifting and which it entails is a particularly important issue in the coordination efforts involving educational programs for the handicapped in Pennsylvania and elsewhere. Because of the legislative mandates embodied in the federal legislation, and Bureau for Education of the Handicapped requirements, some sort of interagency agreements have been necessary. In Pennsylvania, the director of the special education division has been particularly outspoken in criticizing P.L. 94-142. In his view, the federal mandates have made coordination between schools and other service deliverors more, not less difficult. He argues that coordination is more difficult because P.L. 94-142 singles out education when all agencies should be responsible for seeing that handicapped children receive services. "...interagency cooperation will be unattainable unless each human service agency is obligated by law to perform equally; and that total dependence on the education system will make services unavailable both prior and subsequent to school age."[1] Because the only legal responsibility is placed on the schools, other agencies can drop services rather than coordinating them.

Despite these views, the special education division Makuch leads has developed some agreements with vocational education and vocational rehabilitation, and with public welfare. State level agreements are also made more difficult because of the perception that special education has funds while other service budgets are being cut. This, plus the fact that many programs, such as mental health, are administered at the county level, has led to fewer state agreements and more emphasis on encouraging local districts and county agencies to work out agreements on their own, particularly where funding

1. Gary Makuch, Exceptional Children, January 1981.

issues are concerned. The state role is limited to spelling out separate responsibilities in formal agreements, providing assistance and encouraging special education directors to work with the county offices.

The formal agreement between special education, vocational education and rehabilitation defines each agency's responsibilities, establishes some information exchange and a minimum of joint procedures. A state liasion position within each agency was also established, primarily for MIS purposes. Aside from some cooperation on the development of IEP's (Individual Education Plans) and IWRP's (Individual Written Rehabilitation Plans) required by each agency, the main accomplishment in the agreement was a transfer of records from the schools to vocational rehabilitation and cooperation by the Bureau of Vocational Rehabilitation offices in vocational evaluations in the schools. An unresolved issue was services to school leavers since the rehabilitation agency has elected to focus its resources on the severely disabled.

An agreement was also reached recently with Public Welfare regarding handicapped children exiting the school system who need services after leaving school. The schools will provide information to county offices about who is leaving so mental health centers can plan, estimate the number of clients, and services needed. There is also an older agreement with welfare in which the education department assumed responsibility for all educational programs in welfare institutions. As these descriptions indicate, the issues and agreements have centered on definitions of exclusive responsibilities, not on shared services.

Other Interagency Coordination Efforts

There are two other areas where the Pennsylvania Department of Education is involved in formal relationships with other state agencies--health, and drug and alcohol abuse. In health, cooperative agreements have been

reached concerning health education curriculum and school nurses. Generally, the health department has taken the initiative when they feel the need for school cooperation in reaching children on some health-related issue (teenagers and V.D., for example). To facilitate cooperation, there is a liasion in each agency who is responsible for working on curriculum development issues, exchanging information and ensuring that the agencies don't interfere with each other. The primary education department effort is to facilitate dissemination of curriculum materials to local school districts.

School nursing has traditionally been an area for close interagency cooperation in Pennsylvania. School nurses are required to have an education specialist certificate in addition to being RN's. The PDE certifies the nurses. Coordination efforts are devoted primarily to keeping separate health and education responsibilities clear as the nurses in effect have two bosses. The health department provides funding per pupil up to a certain maximum (districts can add their own funds for additional salary) and requires nurses to keep certain records, while the schools have other requirements for nursing services. The state role is important in avoiding local problems and costs little for each agency to work through the assigned liasion.

In the Drug and Alcohol Abuse program area, the cooperation with education has developed somewhat differently. Because of public concern about the schools' problems with drugs and alcohol abuse, the state legislature passed an act that transferred the development of drug and alcohol abuse prevention curriculum from the Education department to the Drug and Alcohol Abuse office. At the same time, it was clear to that office that it could not succeed in getting effective prevention programs in the schools without the help and cooperation of the education agency. The Addictions Prevention Network (APN) was set up to provide technical assistance on prevention curriculum

programs to local school districts. It is funded by the Drug and Alcohol Abuse Office but has a coordinator and staff located in the education department. The PDE provides minimal inkind support-office space, mailings, etc., but the arrangement facilitates the cooperation of local school districts and provides the APN with entre' to the school system. While this is perhaps the most extensive involvement of education in joint activities with another agency, it should be noted that it is a very small program with no education funding, started because of legislative concern. In fact, the lack of joint funding has recently caused problems. The Drug and Alcohol Abuse Office was recently reorganized from an independent Governor's Council to a unit within the Department of Health. Health officials looked skeptically on the office's budget and the amount of funds going for educational activities, given the cuts in health department funds. The PDE has shown no signs of willingness to substitute its own funds, however, especially since the state legislature gave the responsibility to the drug and alcohol abuse unit. Yet staff in both offices agree that the program has helped the schools by providing resources and materials that the schools probably wouldn't have developed for themselves.

SUMMARY

Most instances of coordination between education and other agencies in Pennsylvania have been the result of two causes: (1) one agency or program overextends its authority into another's area; or (2) some agency has authority to do a job but isn't doing it with consequences for another's program. In the Pennsylvania Department of Education, coordination appears to be viewed primarily as a burden rather than an opportunity. It is pursued only when others have interests in or interfere wtih the schools in order to minimize overlap, rather than being initiated in order to improve services.

Coordination efforts have tended to be sporadic--task forces are set up to work out a division of responsibilities and then disbanded--or are dependent on external funding sources. The general coordinating body has been set up for more broad political purposes and has not initiated or pursued joint efforts between agencies directed towards actual service delivery. Without an explicit mandate, as in special education, or legislative pressure, as in drug and alcohol abuse, coordination has been limited to information exchanges and conflict avoidance. Even in these areas, funding declines have made joint efforts significantly more difficult.

Chapter Three

Colorado

OVERVIEW

With the exception of the Denver area, Colorado is a small, predominantly rural state with wide contrasts between the eastern plains and western mountain regions. Governor Lamm, a Democrat, is finishing his second 4-yr. term in office. He has faced a fiscally conservative state legislature, controlled by the Republicans. The legislature has, however, been active on some social issues, including child welfare and education of the handicapped. Colorado has a small state bureaucracy. The child welfare system is county-administered and there is no integrated Human Services organizational structure. Child welfare and vocational rehabilitation are part of the Department of Social Services, while a separate Department of Institutions operates institutions and provides community based services for the developmentally disabled, mentally ill, and juvenile delinquents. Governor Lamm, in his first term, did establish a general coordinating unit for human services--the Human Services Policy Council.

Despite an overall cap on state spending, the fiscal and economic situation in Colorado is relatively good. Unemployment has remained below the national average and the state expects a surplus of approximately $1 million for FY '83. All departments have felt some cutbacks due to the limit on expenditures and rising inflation. Education has fared relatively well and is seen as somewhat better off in terms of the state budget. As Table 1 indicates, education takes the lion's share of the state appropriations. Almost none of these funds go for the operation of programs by the state, with only 1% of appropriations for state administration in K-12 education. Other departments have faced severe declines in federal funds--Institutions

Table 1

Colorado General Fund Budget by Function (81/82)

	%
Education	43.9
Higher Education	22.0
Social Services	14.4
Institutions	5.9
Judicial	4.1
Corrections	2.4
Health	1.9
Other	5.2

lost almost 30% of its federal funding--and/or limits on state revenues. Social Services has been capped for the last three years in child welfare programs. At the same time, actual general fund expenditures for education have tripled between 1973-1980. K-12 appropriations increased approximately 5% between FY '81 and FY '82.

Colorado has 181 school districts and a strong tradition of local control in education, as the small state administrative apparatus suggests. Per pupil expenditures are in the middle third for the country as a whole and approximately 42% of total elementary and secondary school district revenues come from state sources. The Commissioner of Education is appointed by the State Board of Education and not the Governor and is thus responsive to local school board interests. The current commissioner, Calvin Frazier, has been in office the second longest time of any chief state school officer in the country. Despite responsiveness to local issues and concerns, there are some categorical state programs. The increase in state revenues for education came during the period when the state's educational system began new programs to address the needs of such groups of children as bilingual/bicultural, gifted and talented, and the handicapped. Since the passage of the Colorado Exceptional Children's Act in 1973, the state General Assembly has increased the appropriation of state funds for education of the handicapped from $14.2 million to $39.6 million. Federal funds for the handicapped (P.L. 94-142) have also increased until this year. Colorado does not have a separate state compensatory education program. Almost all districts receive Title I funds and although the state received a slight increase in FY '81, cuts are anticipated which will require reductions in the number of children served.

COORDINATION OF EDUCATION PROGRAMS

Internal coordination at the local level is seen as one of the goals of the School Improvement/Leadership Services unit. This office is responsible for implementation of the Accountability Act passed in 1971. The staff assists local school districts in the accountability and planning processes and reviews district performance in conjunction with an annual report to the legislature on accountability. "Educational accountability is a process of planning and carrying out school improvement." Local districts remain responsible for the quality of educational programs with state supervision to see that the accountability process is carried out in each local school and school district. Local districts are required to implement accountability/systematic planning as a criteria for accreditation. The state unit does not approve plans but provides guidance and technical assistance. This unit also has responsibility for Title II-Basic Skills, IGE, and School Climate projects.

Because lack of coordination frequently surfaces as a problem in local planning, the accountability unit has attempted to suggest ways in which the process can be used to promote coordination. For example, since lots of programs require advisory councils, state staff have suggested to districts that the district accountability committee serve as an umbrella group. Another way in which this office has promoted coordination is joint review teams for accountability and special education. The main purpose of this joint undertaking by state staff was to relieve the burden on local districts that complained about the time spent in reviews. In addition, it allowed CDE staff to learn from each others evaluation procedures. While the accountability and planning materials include some general suggestions about coordination, specific educational programs are not mentioned.

A new effort to encourage coordination in specific program areas was initiated this year by the accountability unit. This involves the establishment of "cluster groups" to bring together local program staff in the program areas for which the office is responsible--IGE, School Climate, Basic Skills, and Accountability. These are regional groups that would meet four or five times a year to plan, and to apply the steps in the overall planning process to link their specific program objectives to each other. Four of these clusters are in operation with a total of nine to be established. Each cluster would also have a consultive team from CDE staff as well as a local facilitator and university consultants. While initiated by the accountability unit, Commissioner Frazier views the cluster concept as a promising prototype. Depending on local district receptiveness, separate clusters could be developed to promote local coordination in other program areas such as Title I/special education.

These coordination efforts by the School Improvement/Leadership Services Unit illustrate one way in which state staff view their role in coordination. In this view, coordination between separate educational components is a local activity--one which state staff can encourage and assist in, but not accomplish at the state level. Through recommendations, technical assistance and structures such as the clusters, the CDE can facilitate local coordination efforts.

Formal coordination among programs at the state level is much less likely to occur. For example, the special education and Title I staff only get together when problems come up that need to be resolved. Staff have agreed that special education children may also receive Title I services as long as the students meet local criteria, but it is up to local districts to decide this on an individual child basis. The main effort of state staff is to stay out of districts' way and not impose unnecessary requirements.

This attitude is particularly pronounced in Title I, where local districts are free to coordinate but not encouraged to do so. The largest program staff unit within the CDE is special education and because of its mandates, joint training has been held on occasion with other CDE staff. Otherwise, informal relationships between education program staff have sufficed at the state level.

Chapter Two-Consolidation

Chapter Two was separated from the general block grants decisionmaking process in Colorado. Instead of being decided on jointly within the Governor's office, Chapter II went directly to the education department for decisions on allocation procedures and requirements. A Governor's Advisory Committee on the Education Block was appointed to develop recommendations for the State Board. The committee members included state program specialists, ethnic and interest group representatives, school administrators, teachers and parents. The CDE staffer responsible for federal liaison served as the Executive Secretary to the committee.

The Advisory Group met four times to discuss and make decisions about the allocation formula for distributing Chapter Two funds to the LEAs and how the state should use the remaining 20%. The state set aside was divided between funds for specialists on a consultant basis, as identified by LEA priorities, staff salaries for technical assistance, projects related to state board priorities, and dissemination efforts. Initially, the committee agreed on a recommended local allocation formula based on 80% enrollment, 16% low-income, and 3% sparsity. State staff had proposed this formula as well as several other options and calculated their impact on individual districts. After initial agreement on a formula, the urban districts complained about the 3% sparsity factor. This was changed to

1% to allow more weight for low-income children. As finally recommended to and accepted by the state board, the local distribution formula is 80% enrollment, not over 3% sparsity and the rest low income. The committee also recommended to the Board that the 80/20 state/local split be reviewed in a year to see if it meets district needs. Very few program requirements were imposed on local districts.

In the deliberations over Chapter Two, an effort was made to give program specialists the opportunity to present information on the categoricals included in the block and how these were used by districts. Nevertheless, few program requirements were included. Essentially, program interests were told they would have to lobby at the local level for maintenance of their activities. The Chapter Two block is likely to have a serious impact on state staff. Even with the full 20% to cushion the loss of previous state set aside funds from the federal programs, staff reductions will be necessary. The state is thinking of establishing a roster of program specialists that can be hired as part-time consultants as needed by local districts, since full-time staff are too costly.

INTERAGENCY COORDINATION

There is a great deal of interaction among the Colorado Department of Education and other state human services agencies. This has included general coordination efforts within the framework of the Human Services Policy Council (HSPC) as well as specific interagency agreements between education and other departments. The HSPC was established by Governor Lamm in 1974. Initial staffing costs were defrayed with a federal SITO grant for one or two years, and the initial focus was on services integration. Individual departmental heads were somewhat antagonistic to this perspective. In the early period,

the cabinet level council met twice a month, but without the Governor's involvement, which led to some frustration. At the present time, the Council meets once a month with the Governor. Each department also has an assigned liaison person and the Governor's office provides three staff positions. The Staff Working Group (SWG) prepares the Council agendas and exchanges ideas and information. It meets the day after the formal Council. The head of the SWG is a special assistant to the Governor. The SWG has developed a smooth working relationship with greater continuity than the Council. To some extent, the council has provided a formal mechanism or base from which these staff relationships could develop.

Generally, the HSPC has served as a discussion forum, and now that the Governor participates, it is regarded as a useful mechanism for access to the Governor and for holding departments' responsible for what happens in particular areas. Unless it is a crisis, issues are usually initiated and resolutions worked out by the SWG, going on the Council agenda only for formal approval. If a problem or issue concerns only two agencies, it is usually resolved by them without involving the Council, except for information purposes. Thus, the HSPC has not been involved in most of the agreements between education and other individual departments.

The HSPC is more likely to be useful when there is a broad issue involving several departments. The Governor may take the initiative, bring up an issue for initial discussion by the Council and then it devolves to more specialized forums. A good example is a current "Youth Strategies Initiative" which evolved out of the Governor's concern over youth unemployment and what could be done about it. A Youth Policy Council was set up as a special staff level working group to clarify the responsibilities of various agencies--labor, vocational education, colleges. A joint agreement

was worked out to assist youth in transition from school to work through concentrating existing resources on high risk youth. Demonstrations have been established in several sites and local Human Resources Councils set up to plan and coordinate local efforts. A statewide initiative and linkages between agencies were considered essential in this area because job opportunities are not limited to specific communities and statewide information and assistance is essential.

An earlier example of a broad issue where the Council played an important role was child welfare reform. This is an area that has been crucial to the development of interagency coordination in Colorado. The SWG and the Council played a key role in development of reform legislation and support for passage of S.B. 26 in 1979. S.B. 26, "Alternatives to Placement" arose out of long-standing concerns and problems of agencies working together to deal with children in out-of-home care. There were also fiscal incentives because foster care costs had been increasing by as much as 20%/year.[1] The general objective was to serve the whole child. No one local agency should be responsible, but problems should be addressed jointly by all agencies in the community. Some legislative precedents for coordination had been established, for example, child protection legislation passed earlier had mandated child protection teams that included education. In addition, one Republican state legislator with a background in social work took the legislative initiative in promoting coordination between education and social services and this produced bipartisan support for the reform. The bill itself required placement criteria to be developed jointly by education,

1. After passage of S.B. 26, costs declined and the number of children in foster care decreased 22% between 1979-1982.

social services and institutions. By altering the allocation of social services funds to counties, a fiscal incentive was created for developing prevention services to reduce the need for out-of-home placements. To get their share of funds for new services, counties were required to set up a Placement Alternatives Commission (PAC). The PAC members include mental health, social services, law enforcement, court and school district representatives. PACs are required to develop an annual plan for treatment programs and preventive services to minimize the need for out-of-home placement. An education representative also serves on the state review board for PAC plans. S.B. 26 has necessitated coordination at both the state and local levels between Education and Social Services. Because of the responsibilities of the education system arising out of P.L. 94-142, the special education division has been particularly active in developments and agreements arising out of S.B. 26.

Because of S.B. 26 and other initiatives, there is generally a positive attitude towards interagency cooperation between social services and education. While some stereotypes have existed and there has been some resistance to joint efforts at the local level, a series of cooperative relationships have been built up. There has, to some extent, been a conscious strategy, shared by all human services agencies, of coalition building to support each others initiatives before the conservative legislature. The relationships between the CDE and some other state agencies, such as health, have been less extensive. To some extent, the CDE has been perceived as uninvolved because of the emphasis on letting individual districts make decisions. Yet Commissioner Frazier has been committed to building a structure of coordinative mechanisms that will outlast individual agency heads or staff. On the other hand, the small size of the state bureaucracy makes it easier for different

agency staff to develop personal relationships that mitigate turf conflicts and agency rivalries. With respect to local vs. state initiatives, the CDE views its role as one of structuring incentives and mechanisms for coordination, but allowing individual districts to establish joint activities without the state requiring them. In many areas, local coordinative efforts are very strong, and the state role is to encourage all districts to do what some have already accomplished.

Special Education Coordination

Both S.B. 26 and the federal handicapped education legislation (P.L. 94-142) have led to a variety of agreements between education and other agencies, particularly the Department of Social Services. Within the special education division of the CDE, there has been a strong commitment to interagency cooperation and coordination. While P.L. 94-142 mandates provide an additional argument for developing agreements, the department has always supported the notion of education's responsibility for handicapped services. While there has been some burdenshifting, clarifying the education system's responsibility has been one motivation for agreements. There have also been fiscal incentives for developing interagency agreements because of the rising costs for handicapped services. Currently, state law provides for reimbursement of 80% of the excess costs, however appropriations have never reached that maximum. In FY '82, about 42% of excess costs were reimbursed by the state. The state legislature has been particularly concerned about rising costs. Last year, an attempt to restrict state fiscal responsibility for the handicapped to the Authorized Revenue Base (ARB), the basic funding formula for aid to local school districts, was introduced in the legislature, but subsequently defeated. Because of concern over duplicated counting and potential double-funding, the

legislature has actively encouraged interagency agreements to clarify service and funding responsibilities. In the view of the CDE special education unit, the last two years of effort have produced an agreement with Social Services that is "...one of the most innovative and potentially successful interagency agreements in the country."

Two years ago, July 1980, Social Services and the CDE held a joint meeting of all local special education directors and county social services directors to determine common issues and concerns. A statement in the report of that meeting, "The Interagency Conference on Sharing Resources" illustrates the emphasis in Colorado on responsiveness to local concerns. "...traditionally states have attempted to resolve issues and concerns through negotiation and discussion at the state level among the various state agencies. The planners of this conference and their respective state agencies felt that such an approach would do little to address the actual needs of local service providers. Ensuring such relevancy could only be achieved by having local service providers identify their own needs and participate in the resolution process." One hundred thirty people attended the three day meeting which developed a list of issues for state resolution through a cooperative agreement. Two major concerns were the need for funds to follow children and lack of communication. The initial interagency agreement between education and social services was based on these issues. A second meeting was held in 1982 to review the agreement and suggest new problem areas. State staff see this as a continuous process of review and revision with frequent meetings of the local directors. The costs of this coordination system include the full-time attention of one staff in each agency to learn the other's procedures and issues, as well as the actual meetings costs.

The actual agreement spelled out joint responsibilities and procedures and clarified funding responsibilities. In the past, it had made more sense for districts to get children into another part of the system so they no longer had fiscal responsibility. Now there is joint responsibility and joint placement procedures. Education is involved in placement decisions and responsible for assessing educational needs if the child is handicapped. Since the school system is fiscally responsible for IEP services, there is an incentive to get involved in placement decisions. Joint monitoring and review procedures were also established. The agreement also clarified residency which affected districts' fiscal responsibility. The SEA counts children included in a district's ARB that are in facilities and distributes those funds directly to the facility caring for the children. Excess cost dollars however continue to go to the district which then pays the facilities. Social Services would also like to see these funds follow the child but this has not been arranged yet.

The agreement also established the education system's fiscal responsibility for the educational component of residential services, which had previously been built into overall Social Services rates paid to facilities. Social Services remains responsible for the care, maintenance and treatment with education responsible for the educational program. For example, of the approximately $35,000 for a residential facilities placement, Social Services now pays $30,000 and education covers $5,000 for educational costs. This gave Social Services approximately $3.5 million in additional funds which provided a very real fiscal inducement for the agreement. At the same time, it established that education was not responsible for the entire services cost when handicapped children receive residential services and

gave local districts some say in placement decisions. Districts also are consulted in decisions to return children to the community and may receive county funds to provide educational services as part of day treatment programs.

Staff in both departments regard the agreement as a way to work together and to present a united front in the face of potential budget cuts by the state legislature. It also provides a mechanism for building similar coalitions at the local level. The state role is to get local staff to see the advantages of working together and to provide assistance to them in setting up specific procedures to implement the agreement.

A series of agreements related to services to the handicapped have also been worked out between education and the Department of Institutions. Clarification of responsibilities was needed in two areas: services for the severely disabled in state institutions and for services to the developmentally disabled provided through Community Center Boards. The agreement on institutions established that ARB funds would go to these facilities to assist institutions in defraying educational costs. At the same time, education is responsible for teacher qualifications and monitoring educational programs in the 15 institutions run by the Department of Institutions. Institutions staff felt the joint review and monitoring to ensure educational quality were more significant outcomes than the funds transfer. A separate agreement on the relationship between Community Center Boards that provide services to the developmentally disabled and school districts established joint notification and assessment roles. Boards contract with schools for educational services such as "day training" programs.

Because of the deinstitutionalization push in the Development Disabilities Program, considerable local friction about the appropriate responsibilities of different agencies, including local schools, had been created. Legislative concern over these problems as well as the increased costs and possibility of double-funding prompted the agreements that were developed as well as leading to the establishment of an Interim Committee by the legislature in 1981. In response to Committee concerns, Institutions and the CDE proposed legislation that would have transferred the funds for day treatment programs to education. Local districts would then contract with Community Center Boards as needed. Because the legislature was concerned over the degree of control given to the SEA in the proposed legislation, it failed to pass and a second interim committee was set up in 1982. Thus clarification of fiscal responsibility for the severely handicapped remains unresolved.

Only one issue required resolution through an interagency agreement between education and the Department of Health. This involved the SSI/Disabled Children's Program-Handicapped Children's Program. The two departments agreed on direct referral procedures at the local level, the exchange of IEPs and service plans and joint participation in their development, and liaison positions within each department. For the last three years, monthly meetings have been held to deal with problems as they arose.

Finally, an agreement was also worked out between special education, vocational rehabilitation (in the Department of Social Services) and vocational education (called occupational education in Colorado and located in the separate Commission on Higher Education). The formal agreement, developed to satisfy P.L. 94-142 requirements, spelled out each agency's

responsibility and documented informal arrangements already in existence. No major fiscal changes were involved. Respondents felt the agreement may have been made more difficult because of the extensive cuts in rehabilitation funds. Since 1981, the CDE had given Vocational Rehabilitation approximately $200,000 to replace federal funds for putting counselors in the schools. A major component of the agreement was the development of a new form that could be used as the vocational component of the IEP and also by vocational education and vocational rehabilitation to satisfy their individual plan requirements.

Other Interagency Coordination Efforts

Many of the other interagency agreements between education and other departments are more likely to involve the clarification of individual responsibilities rather than shared activities or shifts in funds. For example, to deal with questions about educational programs in prisons, Education, Higher Education, Labor, and Corrections concluded an interagency agreement. This resolved a disagreement between K-12 and higher education about which agency was responsible for those over sixteen in prisons. Other agreements establish procedures for exchanging information or may provide for special funds for pilot projects to serve both agencies' goals.

A new area in which there is an effort to establish joint activities is between Education and the Drug and Alcohol Abuse unit in the Department of Health. At one time, this agency had a close relationship with the CDE and they are currently hoping to re-establish a coordinative relationship in the prevention program area. In the early 1970's, the CDF received an HEW grant to set up a drug prevention program in coordination with

the drug and alcohol abuse unit and social services. When federal funds ran out, Drug and Alcohol Abuse picked up the education coordinator position for one year, but then funds were cut and the CDE appeared to have lost interest. Since then, Drug and Alcohol Abuse has run its own prevention program that markets two prevention models to individual school districts. CDE involvement was very limited, primarily providing introductions to individual districts. This year, CDE interest revived when the drug prevention programs became a political issue. The Colorado chapter of the National Federation of Parents for Drug Free Youth complained that the curriculum models and materials were radical and attacked traditional values. The CDE initiated contact and staff in both agencies have attempted to work out some arrangement for joint planning. Drug and Alcohol Abuse staff pressed for some financial commitment and the CDE agreed to in-kind contributions for dissemination costs as well as recommending a health education staff position to the state board. The Drug and Alcohol Abuse unit was concerned to build a coalition and present a united front before the legislature in order to maintain funds for the program. In return, Drug and Alcohol Abuse agreed to program changes to emphasize technical assistance instead of the two prevention models that were initially attacked.

SUMMARY

The Colorado experience provides some real examples of shared activities that go beyond standard clarification of separate responsibilities. Education is so clearly the dominant state actor in the human services area that it could perhaps afford to be more magnanimous. In addition, the independence of the Commissioner, appointed by the state board, has allowed him to remain somewhat aloof from political/bureacratic squabbles and act as something of a mediator in executive branch conflicts.

Colorado also appears to provide a classic example of executive agencies united and working together in response to a hostile environment. In this case, there is opposition/Republican control of the state legislature and the Democratic Governor's appointees have worked at building a coalition in interaction with the conservative legislative branch.

The legislature's concerns over rising costs have clearly stimulated coordination efforts. Where fiscal concerns or federal mandates have not existed, there has been less joint activity between the Department of Education and other agencies. One of the most significant examples of real collaboration at the local level through the PACs arose from these fiscal incentives as they operated on the Department of Social Services. In general, the CDE and other departments see state agreements as providing incentives and mechanisms through which local districts and offices can work together and develop shared activities.

Chapter Four

Washington

OVERVIEW

Washington is a small somewhat conservative state dominated by the aerospace and timber industries. Both the executive and state legislature are controlled by Republicans. Governor Spellman is currently serving his second term. The Department of Social and Health Services, created in 1971, combines all human resources activities in one agency. DSHS has about 1200 employees and 52 regional community service centers for income assistance and social services, including child welfare. Health services are delivered through 39 county health departments. As a result of some dissatisfaction, adult corrections was recently re-established as a separate department. Despite the integration of human services agencies in DHHS, a need was felt for improved communications with the education system and a Policy Coordinating Council was created in 1975.

The economic recession has had a greater impact in Washington because of the state's reliance on the depressed lumber and construction industries. The result has been high unemployment (12.4 percent in April) and decreased state revenues. The current FY'82 budget is short $253 million and the Governor proposed, in early summer, either an additional 8.2 percent across-the-board reduction or a special legislative session to increase taxes and make selective cuts. Major cuts in state jobs and some increased taxes had already been enacted. The Superintendent of Public Instruction announced that an 8.2 percent cut in education aid would be intolerable. As Table I indicates, education receives almost half of all state appropriations with K-12 education aid alone approximately matching state expenditures for human resources.

The Department of Social and Health Services has faced cuts in federal and state funds of over $600 million in the last fifteen months. This has necessitated efforts to reduce administrative and support activities to protect direct services where possible. Because of a strong legislative commitment to education as well as a constitutional requirement that the state fund "basic education," the Department of Public Instruction (DPI) has fared exceedingly well despite these severe fiscal constraints. While SEA staff was cut 17 percent, comparable to DSHS' 20 percent reduction, basic state aid for K-12 education was cut only 2 percent.

Washington has a weak State Board of Education elected by local school districts and a Superintendent of Public Instruction who is independently elected. Superintendent Frank Brouillet is currently finishing his third four-year term. There are 300 local school districts and nine intermediate units. These are Educational Service Districts that provide cooperative and information services to LEAs financed by fees and some state funds.

Table I

State Expenditures (1979-81 biennium)
$ in millions

		Percent
K-12 public schools	2,654.1	35.9
Other education	1,067.1	14.4
Human resources	2,579.0	34.8
All other	1,103.3	14.9

Because of a court decision interpreting the state's constitutional responsibility for financing a "basic program of education," the Basic Education Act was passed in 1977. Under this school finance reform, there has been a dramatic decrease in the proportion of school revenues from local sources. In 1980-81, approximately 75 percent of school district revenues

came from state funds, a higher proportion than in any other state outside of Hawaii where K-12 education is wholly state funded. Despite this or perhaps because of it, there has been a deliberate effort to avoid state control and to put more responsibility back at the local level. The DPI staff is very small (245 professional and clerical staff) and the state has made an effort to fund more and more by formula so as to reduce state requirements and monitoring. All state categoricals with the exception of special education were recently combined into a state block for "special needs" programs. State special education funds have increased more than 15 percent in the last biennium despite a change in the excess cost formula and the inclusion of three handicapped categories in the "special needs" block. Federal P.L. 94-142 funds, as well as Title I funds for compensatory education, have increased somewhat also during this time period.

COORDINATION OF EDUCATION PROGRAMS

To a considerable extent, the Educational Service Districts have become the focal point for coordinative activities in Washington. ESD activities vary widely and include such areas as Grant Management, "to interpret state and federal regulations as they apply to special program implementation and interprogram coordination." The state increasingly relies on the ESDs for coordination efforts as they have become more active. ESD boards are elected by the local districts within a region's boundaries. The state provides approximately 20 percent of the funds and requires three positions--superintendent, financial and curriculum. Other activities are determined by the districts for which contracts are negotiated or fees paid. Because of the ESDs, the state has been able to turn over to them various functions such as fiscal review, support and technical assistance efforts when state staff were reduced.

At the state level itself, internal coordination issues have been confronted in two ways. One is the "interface policies" developed by the Division of Grants and Equity. This unit is responsible for federal and state categorical programs with the exception of special education. The Assistant Superintendent in charge of this division was concerned about the overlap of students served under various funding sources and worked out a set of policies focused around Title I to deal with this issue of overlap. The policy statements cover the relationship between ESEA Title I regular and migrant programs and the states' Remediation Assistance, Bilingual, and Special Education programs. Developed jointly by the program staff, the policies constitute a set of regulatory interpretations that tell local districts what to consider, and clarify responsibilities if they decide to coordinate services. The state is thus not necessarily encouraging coordination but facilitating what takes place as a result of local initiative. The original impetus for these "interface" policies was the division's concern about the extent to which Title I funds were being used for bilingual and handicapped programs. Facing serious declines in Title I funds, it was felt important to clarify who should be served by different funding sources in order to stretch declining dollars the furthest. This concern about double-funding was reflected in the state legislature as well and was part of the motivation for passage of the state block. Three handicapped categories--learning disabled, behaviorally disabled, and communication disordered--were taken out of the excess cost formula and included in the block. Thus, there is no longer any fiscal incentive for districts to transfer children from Title I to special education since they do not receive excess costs for these categories.

The State Block Grant for Special Needs was enacted two years ago. All state categoricals were grouped for funding purposes although certain requirements remain if districts elect to use the funds for particular programs. For the first year, district allocations were held harmless based on historic funding patterns, the second year the distribution is two-thirds hold harmless, one-third enrollment, third year one-third hold harmless, two-thirds enrollment and by 1984-85 funds will be distributed strictly on the basis of enrollment. The motive for the legislation was to give control back to local school districts. Conservatives in the legislature were dissatisfied with the large number of small categorical programs, each of which required administrative staff for monitoring purposes. The DPI originally opposed this cost saving initiative. The division formerly responsible for monitoring the programs now only provides technical assistance at a district's request. There is some indication that the block funding has changed the way in which and the number of children served by different programs. A survey conducted by the SEA did indicate that the three handicapped categories had the first call on funds because of the legal mandates, and then bilingual services because of a state mandate for English as a Second Language services. As a result, remediation and compensatory programs received less funds and the number of children served declined.

Another area for coordinative efforts could be considered an inter-agency issue, but it involves educational programs only. The need for coordination in vocational education has been created by the state's organizational response to federal requirements for a sole state agency. There is a vocational education division within the DPI, another unit in the separate Community Colleges Board and an independent council for Vocational Education. The K-12 State Board was the advisory

council for vocational education until the Community Colleges Board was separated from it. The independent advisory council, the Commission on Vocational Education, was set up to coordinate between the two vocational education units, and serve as the sole agency for receipt of federal funds. The Commission consists of the heads of the two agencies and five lay persons appointed by the Governor. The two agencies find that coordination between them is complicated by the intrusion of a third group and have frequently concluded agreements between themselves on such issues as the allocation of federal funds and joint planning, informing the Commission afterwards.

Vocational education has also been active in developing joint efforts with special education. There is a requirement that a proportion of federal vocational education funds be set aside for vocational programs for the handicapped. The vocational education division requires that each district submit an annual plan and any district proposing a program for the handicapped must get the sign-off of the local special education director. The vocational education unit took the initiative on this for two reasons--to be sure programs were not being duplicative, and to get improved planning through input from special education. Because special education is so well-funded, it has been less interested in such joint planning and there are no regular or formalized linkages between the two units at the state level.

Chapter Two - Consolidation

Washington was somewhat behind in developing a procedure and deciding how the new federal education block should be allocated. The total funding amounts to approximately $5.8 million. An advisory committee was not appointed by Governor Spellman until February 1982 and no SEA staff were

included initially, although DPI staffers did serve as support for the committee eventually. Committee members included representatives of various educational organizations--teachers, principals, superintendents associations, but with the exception of Seattle, no personnel from local districts were members. The committee met three times to work out a formula for allocation of funds to districts based on achievement and income data as the SEA had recommended. The 20 percent allocated to the state level is within $10,000 of what the previous federal categoricals provided for SEA administration and all of it was reserved for staff salaries. The problem in developing a satisfactory district formula was the loss facing the one major urban district in the state--Seattle. Because of voluntary desegration, Seattle received a very large ESAA grant which no formula could match. The committee originally proposed a formula based on 50 percent enrollment, 15 percent low income, 10 percent minority, 10 percent gifted, 10 percent racial isolation and 10 percent limited English-speaking. Seattle protested this with the result that the State Board turned to the Human Rights Commission to develop a definition of desegration as a separate set-aside factor in the formula for 10 percent of the funds, with only 40 percent for enrollment. Even under this version, Seattle would lose over $3 million and the district has continued its efforts to gain more funds from the state. This has left the Chapter Two distribution in some question.

INTERAGENCY COORDINATION

To provide for a link between the umbrella Department of Social and Health Services and the Department of Public Instruction, the Policy Coordinating Council was established in 1975. Several issues arose at that time which needed interagency efforts and staff in both departments agreed

on the need for better communications. The Council began with monthly meetings that eventually became quarterly. The evaluation unit Chief in DSHS supervised one staff person assigned to the Council who developed an agenda based on contacts with individual agency members. The Chairmanship of the Council rotated annually between the two departments. Council members are the department deputies and heads of divisions within each: within DSHS this included health, mental health, research and evaluation, developmental disabilities, children and youth, institutions, neglected and delinquent, and rehabilitation; within DPI, it was the four assistant superintendents.

The two basic functions of the Council were perceived as information exchange, and initiating action to resolve problems between the two departments. One of the first things the Council did was to develop a Service Directory of resources and programs available for children in need. This was widely disseminated by both agencies and considered a public success. The Council was also active when the state legislature was considering passage of the Basic Education Act. DSHS members, in particular, were concerned that certain areas such as health curricula be included in the definition of basic education to receive state funds. In this case, the Council provided a forum for getting education department support and presenting a united view to the legislature. The Council has frequently been used in this way to develop joint support for a particular effort. In addition, it has been the mechanism for the development of more continuous relationships among staff. Frequently, interagency agreements were developed in other forums but based on staff relations that the Council fostered.

As time went on the Council gradually became more information and less action oriented. In the last few years, it has focused on staff presentations

in a few issue areas to provide members with information but without any resulting joint actions. Meetings have gradually been reduced from quarterly to semiannually and are now only on an ad-hoc basis. Increased dissatisfaction with the Council had developed as those attending got lower and lower in rank without positions of authority to take action. Many council members felt the group had outlived its original purpose, since communications between agencies had been established. When special issues arise now, staff can and do get together informally without waiting for a council meeting. At the last meeting, the members agreed not to set a next meeting date, although it was thought likely that a meeting would be useful as the next budget was prepared and to insure conflicts are resolved before the next session of the legislature.

Because of the Council, positive relationships have generally developed between staff in education and DSHS. The two departments do make an effort not to publicly disagree and to clarify their positions before confronting the state legislature, for example. On the other hand, staff in both departments did feel that the current fiscal crisis and budget cuts had made coordination efforts more difficult as each department spent so much effort maintaining basic services with no time to spare for joint efforts or new initiatives. Because it is a small state, department staff are likely to know each other personally and to maintain informal contacts.

In many areas, there is more direct interaction between DSHS units and local school districts rather than DPI state staff. SEA staff felt the state role should be to provide assistance and smooth the way for local districts, but not to set statewide standards or uniform procedures to be followed in joint efforts. These were to be left to districts' to work out with DSHS.

Special Education Coordination Activities

As in other states, some agreements between special education and other agencies were necessitated by the federal requirements embodied in P.L. 94-142. However, in general, there has been little change or shifting of agency responsibilities in Washington. In most cases, agreements merely formalized ongoing procedures. Following the basic pattern in Washington, local districts have conducted their own negotiations with DSHS units concerning services for handicapped children within a local district's jurisdiction. When handicapped children are in DSHS-operated institutions, it is up to the district where the institution is located to negotiate over what the district provides and what services DSHS pays for. The DPI budget includes a line item for educational programs in DSHS-operated institutions, but what is included varies depending on individual district contracts. In response to federal requirements, the two departments did sign a formal "letter of cooperative agreement" in March 1978. To facilitate P.L. 94-142 implementation, the departments agreed to work together to meet responsibilites, but no funding shifts were contemplated. Unlike other states, there appear to have been few efforts to shift all responsibilites to education. Instead, service responsibilities continue to be shared with local districts working out special arrangements to insure all children are served. Only one area has involved some shift in fiscal responsibility. This was an agreement worked out between special education and the Developmental Disabilities Centers, run by DSHS. These centers had provided day treatment for 0-5 year old handicapped children. Two years ago, however, as funds were cut, the centers stopped serving 3-4 year olds and suggested that education should pick up the costs. Because education funds were available and the need was evident, education eventually agreed to assume fiscal responsibility for 3-4 year olds. Local

districts can provide the services themselves or contract with the DD centers for these services.

The other major area for joint efforts is also focused on early childhood programs and involves several special projects with extra federal funding. The first of these is an effort to develop a "Coordinated Plan for Early Intervention." This is a special project funded through DPI, using federal Title IVC-State Implementation Grant funds. The objective was to get agencies together to write a document that would present state level service delivery goals and strategies to help local communities and individuals meet these goals. The planning group included representatives from special services (DPI), local school districts, Developmental Centers, Child Health Section, Bureau of Children's Services, and the Medical Assistance Division (all DSHS units), Educational Service Districts, the Headstart Bureau, and several interest groups. Two years were spent surveying the issues and developing a draft plan. The third and final year will involve revisions and dissemination efforts. The plan provides goals and strategies but avoids dealing with more controversial issues of finding resources. As drafted, the plan is a guide for local units that suggests a variety of techniques to be used in addressing issues such as child identification or assessment. It assumes that different agencies will take the lead in coordinated service planning in different communities and does not assign responsibility to school districts, or any other particular service deliveror. Another special project sponsored by DPI with federal funds is a University of Washington project to develop models for interagency collaboration between local school districts and other agencies in a number of different areas, such as mental health and placement.

With the grant, the University is to develop, field test, evaluate and disseminate these models to local districts.

One unresolved interagency issue has concerned DSHS operation of the State Schools for the Deaf and the Blind. Until the present, DSHS had responsibility for their entire operation, including any and all educational activities. The state legislature, in a cost-cutting frame of mind, questioned whether the state schools were needed given the improvement in public school programs for the handicapped. Encountering opposition to their closure, the legislature requested a study and then asked both DSHS and DPI staff to respond to the study in January 1982. To their surprise, the two departments worked together and produced a set of joint recommendations for improving the schools' procedures and programs, and continuing their operation under DSHS with fiscal responsibility for the education component transferred to DPI. Because of public attention and concern over the issue, the state legislature backed off any action at all. Although DSHS may make some changes in admissions procedures, the question of sharing fiscal responsibility with education has not been resolved.

Other Interagency Coordination Efforts

As noted above, funding for educational programs in state institutions (including the handicapped but also neglected and delinquent) is included in the DPI budget, but the actual agreements for providing educational services are worked out at the local level between school districts and institutions within their boundaries. There is a DPI staff person responsible for Institutional Education Programs whose main role is to get individual institutional directors and school district personnel to talk to each other. Because of the DPI emphasis on local control, there is no formal coordination at the state level although staff exchange information and communicate about

problems on an informal basis.

A somewhat parallel example of the focus on local initiative and efforts in coordination has occurred with regard to CETA programs. CETA funds supported a vocational education staff position for one year to develop materials to help school districts and prime sponsors work together more successfully. The project involved the cooperation of vocational education staff, CETA, and the State Employment Training Council to provide materials to assist local efforts at collaboration.

The final area of interagency coordination does involve the state level of the DPI and the health division within DSHS. DSHS has provided the funds to DPI to employ a physician as a Health Services Coordinator. The Coordinator's responsibilities include assisting schools to comply with the new state immunization law and scoliosis screening procedures, training screeners for the schools and monitoring local compliance with health department rules on screening, referrals and immunization records. The Coordinator also acts as a liaison with the School Nurses of Washington. This is one of the few instances in which DSHS funds are transferred to DPI, but illustrates the importance that the health agency places on the position. In effect, it provides the health agency with a means to communicate health problems, standards and requirements to local schools and school nurses. Having the position located with DPI has served to allay local district suspicion of health personnel.

SUMMARY

Perhaps because of its small size, Washington presents a somewhat contradictory picture of coordination activities. At the informal, interpersonal level, there is a great deal of information-sharing and

joint problem-solving. However, there are very few formal organizational mechanisms for communication or joint activities at the state level. This is particularly striking given the state assumption of almost full funding of K-12 education and suggests that assumptions about control following the funds should be viewed with some caution. At the same time, Washington provides an example of state efforts to devolve decision-making responsibility to the local level through the use of a state block formula instead of categorical funding. Even where the state retains control of the funds, as in Institutional Education, Washington has allowed local districts to determine their use. As a result, few agreements and coordinative efforts have been undertaken at the state level.

The Washington case also makes clear that integrating human services into the one large umbrella organization does not necessarily make coordination with education less complicated. The Council set up to promote improved communications does however illustrate the problems of such groups. Frequently, they cannot sustain the interest of decision-makers once the initial issues precipitating the establishment of such a group have been resolved.

Chapter Five

California

OVERVIEW

As one of the largest states in the country, California presents an extremely diverse picture, combining rural, agricultural communities with the urban sprawl of Los Angeles. The Governor and state legislature have been in Democratic hands, but with the incumbent, Governor Brown, running for the U.S. Senate, there could be a change in party control. While the state is known for its social enlightenment, it is also the state that originated fiscal constraints/fiscal limit legislation with the passage of Proposition 13. Geographic and demographic diversity is paralleled in California politics and social and human resources policies and issues. The variety is also reflected in the complexity of state government organization. While there is no single umbrella agency that encompasses all human services, the giant Health and Welfare agency does encompass many--health, mental health, child welfare, social services, and vocational rehabilitation. Labor programs are under the Employment Development Department. The organization of the human service departments within Health and Welfare varies: both social and child welfare services are administered through the 58 counties with considerable fiscal independence; county mental health departments are also independent; and vocational rehabilitation services are provided through an entirely separate set of local units. Because of this local control, counties vary widely in service needs, in priorities for types of services, in support for services, making generalizations about local relationships more difficult.

As elsewhere, economic conditions in California are poor. Unemployment (9.5% in May) has been rising due to layoffs in the timber and auto

industries. Thus. California, a state with General Fund surpluses in the billions in the late 1970's currently is experiencing severe fiscal difficulties. Governor Brown projects an $862 million deficit in FY82 and a gap of $1.3 billion in the FY'83 budget . Lawmakers have been trying to overcome the deficits through cuts in services and aid to local jurisdictions, rather than through tax increases. Overall, state expenditures have only increased by small amounts in FY'82 and FY'83--approximately 4½%, resulting in a 2% cut in agency operating budgets in '82 and a 5% cut proposed for FY'83.

As Table 1 indicates, education has absorbed an increasing proportion of state expenditures as a result of Proposition 13 and the school finance reforms. Prior to the Proposition 13 bailout, elementary and secondary education were about 22.5% of state spending; after, K-12 education grew to 32.5% in 1980, when new legislation virtually replaced local funds with state aid for schools. Education is slated for some budget cuts in FY'83, but not an absolute decrease. As the table also makes clear, education expenditure increases have not always matched those in other areas. Respondents in education tended to perceive the area as being less well-off than some other services. On the other hand, other departments perceived human services as being hit harder than education. Special education, in particular, because of the legal mandates, was seen as siphoning off state dollars that might have gone elsewhere. Actually it is only in the current fiscal year that education has felt the pinch more than others. State agency staff generally felt that the competing claims for scarce state funds were making it more difficult to defend large increases for education. Democrats who traditionally supported education increases are becoming more concerned about trade-offs with other hard pressed services they also support.

Table 1

State Appropriations - FY'81 ($ millions)

	$	%
Elementary & Secondary Education	7,499.6	30.8
Higher Education	3,335.4	13.6
Welfare	2,547.6	10.5
Medicaid	2,506.2	10.3
Other	8,477.7	34.8
total	24,366.5	

% Change in Expenditures for Selected Functions

	'78-'79	'79-'80	'80-'81	'81-'82
Elementary & Secondary Education	79.9	23.6	8.4	4.7
Higher Education	12.3	20.9	16.5	-0.2
Welfare	36.9	13.1	21.7	5.4
Medicaid	40.8	10.4	22.2	10.0
total exp. from own source funds	34.9	14.9	14.4	4.4

California's system of public education for over five million students is administered at the state level by a Department of Education under the direction of a State Board of Education and Superintendent of Public Instruction. Wilson Riles has been Superintendent for 10 years. The Superintendent is an elected official, constitutionally independent of the Governor. Education is the only human services agency that can present independent testimony to the state legislature, without cleanirg it through the finance department, an arm of the Governor. There are over 1,000 independent local school districts with per pupil expenditures that average in the lowest third for the county. As noted above, because of the school finance reform and Proposition 13, state expenditures for education have risen dramatically. In FY'78, the state share of total school district funds was 38.2%, by 1981 this had risen to 79% of total support for K-12 education.

California has supported a large number of state categorical programs for children with special needs, including several compensatory programs, in addition to receiving federal Title I funds. While Title I funds have been declining and are expected to decrease even further when new 1980 census data is used in the federal formula, funding for the major state programs--Educationally Disadvantaged Youth (EDY) and Bilingual/Bicultural programs increased approximately 12% in FY'81. Federal funds for education of the handicapped have increased significantly and state expenditures for special education have also risen. Between FY'76 and FY'80, expenditures grew more than 85%, and the legislature has generally protected special education from Proposition 13 cuts.

COORDINATION OF EDUCATION PROGRAMS

California has been noted for its commitment to a variety of special categorical programs aimed at non-English speaking and/or generally disadvantaged students. It has also been noted for its efforts, on occasion opposed by the federal government, to give local school districts the flexibility to combine funding sources to improve the general quality of the educational program. Superintendent Riles has a strong personal commitment to schoolwide improvement as the means to real improvement in educational opportunities for the disadvantaged.

In 1972, the state legislature passed a resolution recognizing that the target groups for most of the categorical programs were similar and mandating the SDE to pull programs together. In response, the Department set up a Division of Consolidated Programs, headed by an Associate Superintendent. Later Compensatory Education Services, which includes Title I, was added to the Division. All programs dealing with the disadvantaged, except the Migrant program, are now within this division. The migrant program has not been included because of a somewhat unique regional organizational/administrative structure. Special education remains in a separate division and is not perceived as serving the same population, but a very different group that requires different teacher skills. Staff view their function as one of facilitating and structuring the local planning, coordination and implementation processes. While a consolidated application form has been developed, this is seen as the least important part of the process. The focus of the unit is how to use separate funding streams to serve children and the main thrust is the school improvement process that deals with programs. Consolidated applications deals with the related fiscal and administrative issues, but to the extent possible these are treated as very separable concerns.

Every school in a district that is to receive funds from these programs must go through the school improvement planning process. They are also required to establish a school site council responsible for developing the plan for the use of funds and for the total program in the school. The council is elected one half by parents and one half by school staff. Despite some efforts, the consolidated programs staff has been unable to use the site council as an umbrella for all the separate advisory councils required by the individual programs. Strong constituency groups for separate program councils have developed at the local level. SDE staff review these plans and program implementation in individual schools throughout the state, as well as providing technical assistance. Reviews consider both compliance issues and the quality of program plans, although how programs are coordinated is left to local initiative. Staff give feedback on every school plan and program reviews are conducted about once every five years. The consolidated application forms that districts are required to fill out cover administrative and fiscal requirements for the different funding sources. These applications are reviewed by consolidated programs staff for compliance with specific requirements and regulations. The two review processes and monitoring are separated at the state level. The real emphasis of consolidated programs staff is to make the school improvement planning process an integrated part of school activities and not an isolated procedure. New legislation (AB777) passed in 1981 carries the effort at coordinating local programs even further. Under this new provision, under certain circumstances, schools can consolidate funds, state resources, advisory councils, and request waivers of any regulations to establish a coordinated/integrated school program. Eleven sources of funds including state compensatory education and special education but not Title I and 94-142 are covered.

Because the various program units that come under the consolidated applications/school improvement process are within that division, state staff feel there is little need for extra coordination efforts at the state level: "all report to the same boss". There have been some differences between special education and some of the consolidated programs concerning reviews and particular requirements. To resolve these, the special education division took the initiative in getting formal agreements with Title I, bilingual, and vocational education for joint staff development and joint reviews. The state program staff meet every two or three weeks to deal with current issues, which usually involve keeping out of each others' way within districts rather than shared activities.

A new area for coordination in California concerns the joint problems facing K-12 and the higher education agencies. A new attempt has begun to encourage joint efforts among the three higher education entities in California (Board of Regents - U.C., Board of Trustees - California State, and Board of Governor's - Community Colleges) and SDE. Called the "California Roundtable on Educational Opportunities" the group first met in the spring, 1981. Included are representatives of the three boards, the Superintendent of Public Instruction, the association of nonpublic higher education and the staff director of the Post-Secondary Commission, an advisory group. The Roundtable's purpose is to collaborate on problems involving educational achievement and opportunities in California. The impetus included faculty distress over the poor preparation of students as well as Superintendent Riles concern over access and equal opportunities. With resources scarce, the top leaders felt the need to see what could be done to improve quality with the funds available. Since existing mechanisms for collaboration had functioned poorly if at all the Roundtable was formed.

The initial agenda included five items: 1) improving student achievement through a strong secondary school curriculum, 2) improving selected secondary schools, 3) strengthening the teaching profession, 4) improving coordination and efficiency of secondary outreach programs, and 5) improving the community colleges transfer function.

The Roundtable is totally informal with no funding, no official organization or staff and private meetings. Its major accomplishment thus far has been development of a statement of expectations about what students need to know to enter college that all the participating entities could agree on. The Roundtable will make an effort to insure distribution of this statement. K-12 education was involved in its development and Roundtable endorsement is expected to improve its reception by local school districts. The initial efforts have been successful because the chiefs in each area have made a commitment to the collaborative effort. Meetings are only held when the principal decision-makers are available to attend. To preserve public credibility as more than a lobbying group for more funds, the members agreed at the outset not to take a group position on funding issues.

Chapter Two - Consolidation

Governor Brown appointed an advisory committee in January to develop recommendations about the allocation of Chapter Two federal funds in California. The thirty-two members represent various elements of the education community-teachers association, parent groups, local district administrators, local school boards, principal's association, and the state legislature. The committee met for nine days between February and May and held two public hearings at which over 100 persons testified. The main issue at the hearings was the former ESAA allocation. This was such a large chunk of the funds that went to so few districts (29). In allocating 80% to

local districts, the committee tried to deal with the ESAA problem by having a two year phase out. Those districts receiving ESAA funds will get 65% of their previous allocation the first year, 35% the second year and only the formula allocation the third year. The actual formula is based on enrollment plus a double count for AFDC and limited-English speaking students. The 20% for state activities is to be divided between committees and boards, minigrants and SEA administration and will actually provide more funds for SDE administration than the previous federal set-asides. The advisory committee recommendations were accepted without change because the ESAA issue had been compromised. Local districts will apply for Chapter Two funds as part of the consolidated applications process.

INTERAGENCY COORDINATION

An audit agency report on children and youth services in California several years ago found that despite a large number of coordination agreements and councils, committees, etc., few joint efforts actually existed. At the time the report was prepared there were over 160 categorical programs for children and youth as well as at least twelve advisory bodies with the principal function of coordinating childrens and youth services.[1] Few, if any, of these groups however included education. An effort at that time to develop a broader more comprehensive policy for children and youth illustrates the problems of such general efforts and the separation of the education department from other agencies delivering services to the same population.

In late 1977, the state legislature passed a bill reorganizing the Health and Welfare agency and at the same time charging the Office of State-

[1]Office of the Auditor General, The Second Report on Services to Children and Youth in California, Oct. 1978.

wide Health Planning and Development within the agency with preparation of a Master Plan for Services to Children and Youth. Despite the imposing title, the health planning office is a small research unit with no program responsibilities. One reason for assigning the plan to this office was that it could be objective because it would have no turf to protect. The legislative mandate was broad and included surveying the policies for children and youth, their coordination, and developing comprehensive policy issues. It was added to the reorganization bill at the insistence of one legislator with an interest in the area. As a result of the broad mandate, the lack of political direction, and its assignment to a research staff with no ties to the existing programs, the plan development grew into an exercise in creativity. An issues paper was prepared that surveyed the serious problems of children and youth and suggested five alternatives for major restructuring of the entire service delivery system. Interestingly, the issues discussion and most of the alternatives dealt with the educational system. This was perhaps logically appropriate, but somewhat surprising from an organizational perspective, as no education representatives were involved. Although an advisory committee was established in the second year, similarly with representatives of community service organizations, no representatives of state or local education agencies were included.

When a series of public meetings were held in 1980, the Master Plan was immediately attacked from several sides. The California Teachers Association attacked it because no education representatives had been involved in its development. At the same time, there were attacks from the right wing suggesting that this was an attempt by state government to take away parents' rights. Superintendent Riles protested the plan personally with the Secretary of Health and Welfare and encouraged a public hearing

by a legislative committee. This hearing in the fall, 1980, was dominated by hostile witnesses with the result that a final draft was never prepared and the final report when issued merely catalogued existing services. In the effort to develop creative alternatives, the planners did not even come up with any recommendations on how to coordinate existing programs.

At the same time that the idea of a "masterplan" was expiring, other issues were surfacing that again made clear the need for interagency coordination. Suits were filed against the SDE for not implementing the mandates of P.L. 94-142 because of fights between education and other state agencies over who paid for particular services. In 1979/80, the entire 94-142 allocation for California was held up because the state failed to submit a plan for the education of all handicapped children acceptable to the Office of Education. OE maintained that the state was not providing sufficient physical therapy to students. When Riles agreed that education would provide the services the funds were released. As a result of this controversy and other issues, the state legislature passed AB2394, a bill that amended the education code to require efforts to coordinate all available funding sources and improve state use of available federal funds. The SDE and other agencies were to implement coordination efforts and report to the legislature on legal provisions impeding coordination. The Governor's Office of Planning and Research was to review plans for funds for the handicapped and generally oversee coordination efforts. The Governor's Office, however, has not set up procedures to implement the legislation or to review interagency agreements. A staff group was set up after AB2394 passed to consider the issues. After meeting for most of a year, the staff concluded that the most important issues involved funding shifts and that policy-level decision-makers were needed to resolve the problems. These policymakers

have seldom attended the meetings however, with the result that, although the meetings continue, little progress has been made.

In general, the SDE and other human service agencies regard each other with some caution and are anxious to protect their own turf. Due to its size and the variation in local conditions, California bureaucratic relationships to some extent resemble those at the federal level. Agency staff respect each other's professionalism and don't have negative stereotypes, yet, their basic instinct is to protect their own programs and funds. Education staff believe coordination is made more difficult because of the organizational complexity and local control in the other human service delivery systems. Other agency staff see education as independent and with more powerful constituency groups so that it has less need for joint efforts. While the fiscal constraints have been felt by all, it has been difficult to build any overall coalitions on budgets because of the constitutional separation of education.

Special Education Coordination

Both the efforts and the major problems in interagency coordination in California have been focused on services to handicapped children. To a considerable extent, P.L. 94-142 forced these issues. In the view of SDE staff, related services has been a major problem and by assigning responsibility to the education system, the federal legislation has made coordination more difficult. The most difficult areas have been occupational and physical therapy (OTPT) and mental health. After a long period of negotiations, an interagency agreement was finally worked out between California Children's Services and SDE on eligibility for OTPT. The difficulties arose because of the shortage of trained staff, particularly in rural areas, that the health department felt was not their responsibility. In mental health,

problems arose over the provision of psychiatric services--which agency determined need and which paid for the services. As these examples indicate, interagency efforts have been directed to a specification of separate responsibilities rather than joint activities.

To some extent, agreements are also more complicated in California because of the size of the state and variety of local situations which make the development of uniform procedures extremely difficult. With over 1000 districts and one half of all the handicapped children in the country, California spends more than the federal government on special education--$1.3 billion versus $1.1 billion. Because of the difficulty of resolving funding issues, the interagency agreements frequently are limited to spelling out responsibilities for eligibility and service provision. Once the formal agreements have been worked out at the state level, the SDE has tried to work with local districts as they negotiate local agreements on the details for cooperation. The SDE has held workshops on local coordination issues and invited other local agency representatives. Because local units and counties may establish their own funding or service/target group priorities in human services, the state level agreements do not resolve local difficulties automatically. These agreements in many cases only prepare the way for local efforts to coordinate. Except for some information through other channels, review processes, etc., the state staff that has developed these agreements do not know the extent of local implementation.

After lengthy efforts, interagency agreements have now been developed in all the areas needed for special education related services. There are more than ten separate agreements in effect. In some, funding issues remain unresolved and unspecified, while in others the fiscal responsibility is spelled out. Because of the continuing fiscal problems, agreement on

funding for services provided has remained difficult to accomplish.

Other Interagency Agreements

The vocational education/youth employment area provides a striking contrast to special education in the nature of the coordinative relationships that exist. Considerable joint activity is underway, but funding issues have been much less salient. All participants have felt equal fiscal burdens and share responsibilities for dealing with the issues of youth employment. As a result, there are some very productive joint efforts in this area. The state has received special CETA funds for an Interagency Committee on Youth Employment. The group originated with vocational education and the community colleges board in the late 70's and became a formal committee with grant funds and participation of the Employment Development Department in 1980. The director of Vocational Education has taken the initiative in organizing the committee as a mechanism for coordination. The committee includes Education, Rehabilitation, Employment Development and Community Colleges with members at the deputy Secretary level. There is a larger staff group that includes other education units besides vocational education and meets bimonthly for a basic information exchange. The CETA funds have been used to provide staff positions in each agency. The committee has a written agreement to coordinate, regular monthly meetings, with the chair rotating annually. The group has focused on general policy issues and attempted to develop joint positions on legislation of concern to each of the member agencies. There is a legislative subcommittee that meets to share information and positions on pending bills and settle differences before they get to the legislature. One of the major efforts of the committee has been to establish consistent policy direction to the field offices and local districts. Three strategies have been followed to encourage

local implementation of joint efforts: joint policies and instructions, joint field reviews, and regional linkage meetings. The agencies, through work on the committee, have built a joint relationship and have a better understanding of each other's problems and procedures. Despite the loss of CETA funds this year, each has agreed to put up their own funds to support staff positions for the Committee.

SUMMARY

California is a large state with extremely complex administrative relationships. Given the size of the human services and educational systems, it is not surprising that interagency coordination has been more difficult and more formalized than in other states. The fate of the Master Plan provides a good illustration of the consequences of leaving coordination in the hands of those with no stake in existing programs. On the other hand, the difficulties of reaching agreements on services to the handicapped illustrates the opposite extreme of bureaucratic rigidity, with agencies fighting to shift the funding burdens to education while retaining service responsibilities. Fiscal issues appear to require legislative resolution in many instances, perhaps because of the separation of the education department from the overall coordinative control the Governor and finance department can exert on other executive branch agencies. Effective interagency coordination can exist where there is a shared sense of commitment and responsibility, and enthusiastic support of agency heads, as is the case in vocational education or the higher education Roundtable.

The extensive school improvement/consolidated programs process in California makes clear what can be done by the SDE to promote educational program coordination at the local level. The state role in internal

coordination has been to clear the way for local schools and districts by separating fiscal and administrative requirements from questions of integrated program development.

Chapter Six

SUMMARY AND CONCLUSIONS

SUMMARY

The four states selected for the case studies did provide considerable variation in coordination efforts, both among programs within education and between education and other state agencies delivering human services. This section briefly summarizes that variation.

Fiscal Conditions

As is true for the country as a whole, the fiscal conditions in the four case study states--Pensylvania, Colorado, Washington and California--have not been good, although considerable variation emerged among the four sites. Washington is at one extreme; a severe recession in the basic industries on which the state depends has led to major shortfalls in state revenues and a proposed 8.2% further reduction across-the-board in departmental budgets. California, for the first time, has begun to experience similar if less severe fiscal constraints. In the current fiscal year, state spending increased by a very small amount (4½%) and agency operating budgets were actually cut by 2%. In Pennyslvania, unused surplus funds were still available to balance the state budget. State agency budget increases were not, however, sufficient to keep pace with inflation. Even in Colorado, where increases averaged 3-5% and an overall budget surplus existed, state agencies felt a fiscal pinch because of expenditure limit legislation and rising inflation.

If we look specifically at education funding, however, a somewhat different picture presents itself, particularly as compared with other human services involved in coordinative efforts. In all four states, as is true generally, education receives the lion's share of state own source revenues/

general fund budgets. Elementary and secondary education alone comprised 31% (California) to 43% (Colorado) of state expenditures, while all other social and health services combined seldom reached as high as 1/3 of the budget and amounted to less than 25% in Colorado. Washington was the only state in which there was an absolute cut in education aid, however it was reduced only 2% while other departments experienced reductions over 10% in some cases. Washington also combined a variety of state categorical education programs into a single state block and reduced the overall total somewhat. However, state spending for special education was up more than 15%. Thus there has been a considerable contrast between the impact of fiscal conditions on education and other human services. California provides something of a contrast. Both Proposition 13 and the state bailout measures had resulted in greater state expenditures in virtually every human services area with state education spending increasing even more than others because of school finance reform. However, in the current fiscal year, education received a smaller increase in appropriations than other health and welfare programs. Yet within education, state compensatory program funding increased by a sizeable amount (12%) and special education also increased. In both Colorado and Pennsylvania there were fewer differences between departments; in both states, education expenditures rose by about 5% overall, with other departments increasing slightly less. In both states, the general perception was that all human services agencies shared equally in the fiscal crunch, although special education did stand out in these states as well, receiving a greater increase than the overall average.

The four states also varied a great deal on the extent to which the state shoulders the burden for the total costs of elementary/secondary education. While all four share a commitment to at least the rhetoric of

local control, there was a big difference in the percentage of total K-12 revenues from state sources. In Colorado and Pennsylvania, the state share is less than half--approximately 42% in Colorado, 40% in Pennsylvania. In both Washington and California, on the other hand, school finance reform cases and other issues have led to the state assuming most of the total costs--76% in Washington and 79% in California. It should be noted, however, that the state share of total expenditures appears to have little relationship to the proportional size of the state education bureaucracy. SEA size appears to be much more a function of overall state population with very small staff in Colorado and Washington and a much larger administrative organization in California and Pennsylvania.

Coordination Among Education Programs

Of the four states studied, only California has put major emphasis on internal coordination. However, each of the other three state departments of education have made some efforts in this direction. Generally, internal coordination among education programs is usually linked to school improvement and/or general planning processes at the local district or individual school level. State agency staff activities emphasize technical assistance efforts to smooth the way. In California, the effort is a major one, involving an entire division of state staff (Consolidated Programs) that reviews local district and individual school plans, provides feedback and conducts site visits to review progress--all in an effort to provide a context and procedures for coordination at the local level. In Colorado, the focus has been on encouraging the integration of a few programs at the local level through the School Improvement planning process. Educational program coordination has also been encouraged at the district level in Washington and Pennsylvania, but in both states the SEA has made less effort to establish specific

procedures or develop a framework or mechanisms within which the program coordination might be accomplished. The state role has been focused primarily on regulatory issues and clarifying particular regulations if locals chose to coordinate separate categorical programs. Thus, for example, the Washington Department of Public Instruction developed a set of policies to deal with the "interface" between separate categorical programs, while Pennsylvania's Office of Policy Management performs a "central clearance" function for separate program regulations review. In none of the four states has much effort or concern been directed to formal communications mechanisms among program units at the state level. Even in the case of the two major federal categorical programs--P.L. 94-142 funds for education of the handicapped and Title I funds for compensatory education, few relationships have been formalized at the state level. Although there is a potential for service and client overlap, this has not been a major issue in any of the four states. In each, some effort had been made to clarify the eligibility of students for each program's services and under what conditions students could be served by both, but beyond this clarification of responsibilities, ongoing, joint activities were not considered by program staff at the state level.

Three of the four states in our study have also taken some steps in the direction of consolidation of state categorical funds, as perhaps an alternative to or further step in integrating programs at the local level. Pennsylvania has never emphasized categorical funding and recently eliminated the urban aid factor in its basic aid formula which had provided additional funds to the Philadelphia school district for compensatory programs. California has passed legislation that allows the complete integration of eleven sources of funds at the school level, including the waiver of various

requirements for advisory councils and separate accounting procedures. In Washington, the state actually transformed a variety of formerly categorical state programs into a state block for "special needs" children, allowing local school districts to decide which programs to fund an approach very similar to the new federal block--Chapter Two.

As might have been expected, the main difficulty these four states encountered in adjusting to the new federal consolidated programs was with the elimination of ESAA, which provided large amounts of money to a few districts. In two of the four states, an effort was made to provide some special relief to former ESAA districts. Washington provided a special set-aside for desegregating districts and California used a special formula to phase out ESAA funding over a two year period. Because the federal legislation made it clear that states could not specify how districts allocated the funds among programs, states were able to divert or deflect special interests from any strenuous lobbying efforts at the state level.

Interagency Coordination

The four case study states provided illustrations of different types of formal human services policy coordinating bodies. Pennsylvania and Colorado have similar mechanisms, really subcabinet groups, formed by the respective Governors to bring the human services agencies together. These committees have functioned less to develop joint activities and shared actions than to provide a forum for communications with and access to the Governor. In both states, where the state education department was involved in interagency agreements, these shared efforts arose independent from the formal body. In Pennsylvania, the Human Resources Commission acted as an information--sharing forum and to some extent, a PR mechanism for the Governor. The Colorado Council did serve as a means for the Governor's initiation of policy

proposals that covered more than two agencies. The four cases do make clear that these formal groups only work when the Governor is involved and where multiagency concerns are at stake. The experiences in California, at least, point in this direction. Without top executive branch involvement the ill-fated "Master Plan" and even the legislatively mandated coordination function of the Governor's planning office have had little effect.

The general enthusiasm for interagency efforts also varied considerably among the four cases. Pennsylvania state education personnel tended to view coordination activities as a burden rather than an opportunity, while in Washington it seemed somewhat irrelevant given the extent to which actual arrangements were left up to local school districts. Colorado's Superintendent and most staff appeared to be unusual in their enthusiastic support for and initiatives to develop joint activities with other human service agencies. California, in turn, reflected all of these perspectives, depending on which programs/agencies and education staff were involved.

Three types of interagency agreements occurred in the four cases: 1) agreements about program standards--promises to adopt common criteria for providing services; 2) agreements about the allocation of resources; and 3) process and activity agreements--promises about uniform processes, forms and activities by agencies. By far the most common were agreements about standards and delineation of program criteria and responsibilities. In all four states, the most prevalent area for interagency agreements was issues related to the services provided to handicapped children. The impetus for these activities was the federal mandate to education in P.L. 94-142 and the related push from the federal level for interagency agreements. These agreements concerning special education tended to be of two types--those that divided up the responsibilities by clarifying which agency provided services

and which determined eligibility and those that specified a change in fiscal responsibilities. As might have been expected because of the P.L. 94-142 mandate, some efforts to shift all the fiscal burden for certain services to the education agency did take place. In these situations, negotiating agreements tended to be more difficult. In both Pennsylvania and California, special education directors felt the federal legislation placed serious burdens on education and made the process of developing interagency agreements more difficult. They felt that placing the legal responsibility with the education system allowed other agencies an opportunity to unfairly abandon their own fiscal and service responsibilities. Interestingly, these are also the two larger states that tended to have more traditional and bureaucratic patterns of relationships among state-level agencies. Apparently, the federal legislation was less of a burden for developing interagency agreements related to special education in Colorado and Washington. These two states illustrate two other patterns for special education coordination activities. In Colorado, the state staff has actively sought out other agencies and been willing to assume more of the costs in order to go beyond a clarification of standards to the development of joint activities and services. Washington, on the other hand, spelled out little at the state level but assumed fiscal responsibilities and allowed individual local districts to establish their own agreements and arrangements for services to handicapped children.

The other substantive policy areas in which interagency coordination efforts took place varied across the four states. Some agreements with the state health authorities seemed to be commonplace, usually because the health department needed to use the school system to achieve health-related goals. The education agency did take the initiative in two of the states when public

attention focused on a particular issue--teenage drug and alcohol abuse and prevention programs in the schools. Prior to the public outcry, however, neither state education agency had placed much priority on cooperation with health departments to promote such programs.

HYPOTHESES REVISITED

This section reviews some of the hypotheses with which we began this research and suggests revisions or expansions based on the case study analyses. The first hypothesis suggested that the separate election of chief state school officers and their resulting political isolation contributed to the difficulties of education agencies in coordinating with other state human services programs. The initial telephone survey found no relationship between method of selection of the CSSO and interagency activity and this seems confirmed by the case studies. California does provide an example where the independence of the Superintendent apparently made it more difficult to work with other human services agencies, particularly in relations with the state legislature. Yet, even in California legislative coalitions could be achieved as was evidenced by the coordinating committee on youth employment initiated by vocational education. It appeared from the California experiences that the independence of the SEA made negotiation of interagency agreements that reallocated resources particularly difficult. Because education did not come within the purview of the Governor's financial control, these fiscal issues frequently got taken to the legislative arena for resolution. On the other hand, Washington provided on opposite example. The Superintendent is separately elected; nevertheless, the SEA has worked closely with the Department of Social and Health Services, and even, in a recent instance, developed a joint position on legislation concerning the operation of state schools and each department's respective fiscal

responsibility.

Perhaps one of the patterns that emerges concerns less the separation of education within the executive branch and more the impact of executive/legislative branch splits on coordination efforts among state agencies. In Colorado, for example, there was a Democratic Governor and Republican legislature, and even though the Superintendent of Education was separately appointed by the state board, the need to develop a common front in facing a hostile legislature was a strong impetus for joint efforts and agreements between the SEA and other state agencies.

Another related hypothesis was that the impetus for coordination was more likely to be found in external pressures, federal requirements or regulations and/or special funds for coordination, rather than in every day operations. This did seem to be the case in the four states we studied. However, another external motivation was present in three of the four cases. In these states, the state legislature initiated coordination efforts, and pushed state agencies to work together because of concerns about rising costs. In Colorado and California, the escalating costs of special education and the legislature's worry that handicapped children were being counted twice for services received once provided an impetus for agency agreements on fiscal and service responsibilities. In Washington, a similar example was the legislature's proposals with respect to the operation of state schools for the Blind and Deaf. Another external impetus that sometimes brought agencies together was public concern about some problem in the schools, such as teenage drug and alcohol abuse. In Colorado and Pennsylvania, this pushed the SEA into initiating interagency efforts that had previously languished for lack of interest. Where coordination has arisen out of ongoing operations, it appeared that other human services agencies were more

likely to initiate efforts than the education bureaucracy. The pattern was illustrated by the typical relationships between health agencies and the SEA; in most of the cases, the health department needed to work through the school system to accomplish its objectives and provided funds and most of the effort, with education permitting activities and providing support.

A series of hypotheses developed from the literature reviews were related to the impact of the level of resources and fiscal situation of agencies on interagency coordination. No clear cut pattern with respect to this issue emerged from the case studies. We did find that perceptions about other agencies' funding had more relevance than actual dollar amounts or proportional cuts or increases. Overall, education was not feeling a serious pinch in any of the four states, despite major shortfalls in two of the four. On the other hand, education was not funded significantly differently than other human services functions in any state except Washington. In Washington, other agencies were cutback much more, yet ongoing coordinative relationships continued.

Relative funding levels seemed to be an important factor in only one area--special education and related services. Special education costs have been growing at a greater rate than most other education programs or other human services agency budgets. That fact combined with federal legislation which gave the legal responsibility to the education system to provide services to handicapped children did result in other agency efforts to shift the costs and frequently even service provision responsibilities to the schools, making coordination more difficult. This was, however, to a considerable extent, counteracted by the growing concern within state legislatures to stem the tide of increasing costs for the handicapped. As noted above, this led to legislative pressure on agencies to reach agreements on fiscal

and service responsibilities. It is interesting to note, however, that the two states where special education units felt the federal mandate had created serious problems because of other agencies efforts to shift burdens were also the two states (Pennsylvania and California) where special education funding was not rising significantly faster than education or other human services generally.

In the four states we studied, whether special education or other program areas were involved, interagency agreements have not been administrative vehicles for the allocation of resources, as we originally suggested. Funding issues are the most difficult to resolve and were frequently ignored. Instead, the most common pattern was for interagency agreements to present specific and careful descriptions of each agency's separate responsibilities, to avoid getting in each others' way. Coordination was quite often viewed as a way to resolve problems of interference in each other's operations--no problems, no efforts to coordinate or interagency agreements. Interagency coordination that actually established shared procedures and joint activities was very rare.

A somewhat different picture prevailed with respect to coordination among programs within the education arena. Where such efforts existed, they seemed to be motivated by a genuine concern for increasing the quality of services and improving the use of existing resources. SEA efforts were directed towards allowing local districts and even individual schools to integrate programs in order to improve the entire educational offering. This is just the opposite of the focus on separate responsibilities and functions in the interagency area. California and Washington had made the most extensive efforts in this direction. In California, fiscal issues were kept totally separate from program coordination within the Consolidated Programs division.

The next step, to merge funding streams, was recently also established as an option in California. This consolidation was accomplished statewide in Washington with the passage of a state block grant for "special needs" children. In both cases, integration or consolidation efforts encompassed state categorical programs only. In Colorado, some success had been achieved in coordinating several small federal funding sources, but in this case, state programs were not included. This may not be surprising, but it certainly reconfirms the view that federal program requirements frequently make joint efforts difficult to accomplish. Even in California, where Title I was included in the consolidated programs, federal regulations necessitated keeping accounting procedures, advisory groups and reporting procedures separated.

In the original list of hypotheses, a final series were related to the nature of state agency vs. local school district roles in coordination efforts. While the case study investigations did not focus on local school district operations, the research did provide some information on local initiatives with other agencies and the impact of state interagency agreements on local schools. The patterns in the four cases clearly suggest that real coordination must be locally arranged. That is, interagency agreements developed at the state level cannot usually spell out the details for shared activities and processes. The SEA role in this type of coordination was to establish a framework for joint activities through the interagency agreements worked out at the state level. The SEA's in the four states varied widely in the extent of their efforts to establish uniform mechanisms through which local districts could pursue coordination. These ranged from the elaborate procedures in Colorado, including statewide meetings of local staff from education and other human services agencies, to Washington's laissez faire

approach, where no procedures were specified and local districts allowed to work out arrangements on their own with local institutions and other service providers within their boundaries. The four states also varied in the extent to which other human services agencies had some degree of local independence. Even within one state, the organizational structure might vary between child welfare and mental health, with one county-administered and another program state-administered, so that no single pattern emerged for all services. The overall impression, however, was that while states can effectively serve to assist and facilitate interagency coordination, it has to be implemented at the local level. State variables may not be relevant for examining patterns of interagency coordination given the variation within states among local school districts and between the administrative hierachies of different human services agencies.

GENERAL CONCLUSIONS

This study began with a focus on three research questions:

- How much coordination currently exists?
- Does the level of resources have an impact on the amount of coordination taking place?
- What is the local impact of state coordination efforts?

As we have seen, across the fifty states, very little coordination exists between education and other state agencies providing human services. Coordination efforts among programs within education agencies also appear to be minimal. Even in the four case study states selected because of their coordination activities, less was going on than might have been expected. In some states, their small size enabled them to communicate informally, so that the lack of formal agreements was somewhat deceiving. In the larger states, coordination appeared to be more difficult to accomplish at all. To a

considerable extent, the picture is of state education agencies that remain isolated from the politics of the social policy arena and seldom build a united front with other human services agencies.

The second question proved difficult to answer because of the lack of fiscal stress felt by state education agencies, even in states such as Washington and California where the general state financial picture was quite bleak. However, it would appear that the level of resources alone was not a sufficient guide to the behavior of agencies involved in coordination efforts. In none of the four cases did declining resources provide a spur to agency initiatives for coordination. On the other hand, overall revenue shortfalls and concerns about escalating costs did provide the impetus for state legislatures to push agencies in the direction of greater coordination. The fiscal stress models remain more appropriate for examining the responses of general purpose units of government than of bureaucratic units. It did appear that efforts to cut joint programs or activities or to shift costs or services to other agencies were less common than might have been anticipated, even in the special education arena where other agencies had a legal mandate to point to.

Finally, it seems clear that formal agreements at the state level, regardless of their substance, do not determine the extent of joint activities at the local level. Even in the two states where the major share of funds came from state sources, state agencies could only set the stage for local coordination efforts, not specify or determine its extent. The state department can, however, make a difference by the amount of technical assistance, guidance and general encouragement it provides to local districts in coordination efforts with other agencies. SEAs' can use interagency agreements to establish working relationships between local offices of social

:h service agencies and local school districts. Where they do so, efforts are likely to have an impact on local operations. Where gency agreements are developed at the state level with little or no w-up or assistance to local districts, local schools may not even be re of SEA efforts.